

OFFICIAL STATEMENT DATED NOVEMBER 18, 2025

NEW ISSUE-BOOK-ENTRY ONLY

Fitch Ratings: AAA
Moody's Investors Service, Inc.: Aaa
S&P Global Ratings: AAA

In the opinion of McGuireWoods LLP, Bond Counsel, under existing law and subject to the conditions described in "LEGAL MATTERS – Tax Matters" herein, interest on the Bonds (i) is excludable from the gross income of the owners of the Bonds for purposes of federal income taxation, and (ii) is not a specific item of tax preference for purposes of the federal alternative minimum tax on individuals. However, such interest is included in the "adjusted financial statement income" (as defined in Section 56A of the Code (as defined herein)) of certain corporations in determining the applicability and amount of the federal corporate alternative minimum tax imposed under Section 55(b) of the Code. Bond Counsel is further of the opinion that under the existing law of the State of Maryland, the principal of and interest on the Bonds, the transfer of the Bonds, and any income derived from the Bonds, including profits made in their sale or transfer, are exempt from State and local taxes in the State of Maryland; however, the law of the State of Maryland does not expressly refer to, and no opinion is expressed concerning, estate or inheritance taxes, or any other taxes not levied or assessed directly on the Bonds, the interest thereon, their transfer or the income therefrom. See "LEGAL MATTERS – Tax Matters" herein regarding other tax considerations.

\$68,825,000

Charles County, Maryland
General Obligation Bonds

County Commissioners of Charles County
Consolidated Public Improvement Bonds of 2025

Dated: Date of Initial Delivery

Due: As shown on inside front cover

Table with 2 columns: Term and Description. Rows include: Optional Redemption, Security, Purpose, Interest Payment Dates, Closing/Settlement, Denominations, Book-Entry Only Form, Registrar/Paying Agent, Bond Counsel, Financial Advisor, Issuer Contact.

FOR MATURITY SCHEDULES, INTEREST RATES, YIELDS AND CUSIP NUMBERS, SEE INSIDE FRONT COVER

The Bonds are offered for delivery when, as and if issued, subject to the approving opinion of McGuireWoods LLP, Baltimore, Maryland, Bond Counsel, and other conditions specified in the official Notice of Sale.

The date of this Official Statement is November 18, 2025 and the information contained herein speaks only as of that date.

This cover page contains certain information for quick reference only. It is not a summary of this issue. Investors must read the entire Official Statement to obtain information essential to the making of an informed investment decision.

\$68,825,000
County Commissioners of Charles County
Consolidated Public Improvement Bonds of 2025

MATURITIES, PRINCIPAL AMOUNTS, INTEREST RATES, YIELDS AND CUSIPS

<u>Maturing October 1</u>	<u>Principal Amount</u>	<u>Interest Rate*</u>	<u>Yield*</u>	<u>CUSIP**</u>	<u>Maturing October 1</u>	<u>Principal Amount</u>	<u>Interest Rate*</u>	<u>Yield*</u>	<u>CUSIP**</u>
2026	\$2,720,000	5.000%	2.530%	159808VM3	2033	\$3,855,000	5.000%	2.580%	159808VU5
2027	2,860,000	5.000	2.460	159808VN1	2034	4,060,000	5.000	2.660	159808VV3
2028	3,005,000	5.000	2.460	159808VP6	2035	4,265,000	5.000	2.780	159808VW1
2029	3,160,000	5.000	2.440	159808VQ4	2036	3,670,000	5.000	2.900†	159808VX9
2030	3,320,000	5.000	2.410	159808VR2	2037	3,855,000	5.000	3.010†	159808VY7
2031	3,490,000	5.000	2.450	159808VS0	2038	4,055,000	5.000	3.100†	159808VZ4
2032	3,675,000	5.000	2.530	159808VT8	2039	4,265,000	5.000	3.210†	159808WA8

\$5,870,000 3.750%* Term Bond due October 1, 2042 Yield 3.860%* CUSIP 159808WD2**
\$2,360,000 4.125%* Term Bond due October 1, 2045 Yield 4.125%* CUSIP 159808WG5**
\$10,340,000 4.125%* Term Bond due October 1, 2055 Yield 4.220%* CUSIP 159808WS9**

† Priced at the stated yield to the first optional redemption date of October 1, 2035.

*The interest rates and yields shown above are the interest rates payable by the County resulting from the successful bid for the Bonds on November 18, 2025 by Piper Sandler & Co. The yields shown above were furnished by the successful bidder for the Bonds. All other information concerning the terms of reoffering of the Bonds should be obtained from the successful bidder and not from the County. (See "SALE AT COMPETITIVE BIDDING" herein).

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The County has not agreed to, and there is no duty or obligation to, update this Official Statement to reflect any change or correction in the assigned CUSIP® numbers reflected herein.

COUNTY COMMISSIONERS OF CHARLES COUNTY, MARYLAND

CERTAIN ELECTED OFFICIALS County Commissioners

Reuben B. Collins, II, Esq., President
Ralph E. Patterson, II, M.A., Vice President, District 4
Gilbert O. Bowling, III, District 1
Thomasina O. Coates, M.S., District 2
Amanda M. Stewart, Ed.D., District 3

Certain Administrative Officials

Deborah E. Hall, CPA, Acting County Administrator
Danielle Mitchell, Acting Deputy County Administrator
Wes Adams, County Attorney
Jason R. Groth, Director of Planning and Growth Management
Jacob Dyer, Director of Fiscal and Administrative Services
Kelli Beavers, CPRP, CPM, Director of Recreation, Parks & Tourism
Dina M. Barclay, Director of Community Services
Martin L. Harris, Director of Public Works
Alexis Blackwell, Director of Human Resources
Michelle Lilly, Director of Emergency Services
Jim Chandler, Director of Economic Development

BOND COUNSEL
McGuireWoods LLP
Baltimore, Maryland

FINANCIAL ADVISOR
Davenport & Company LLC
Towson, Maryland

AUDITOR
CliftonLarsonAllen, LLC
Certified Public Accountants
Philadelphia, Pennsylvania

BOND REGISTRAR AND PAYING AGENT
Manufacturers and Traders Trust Company
Baltimore, Maryland/Buffalo, New York

Requests for additional copies of this Official Statement or any questions regarding this Official Statement or the Bonds should be directed to Jacob Dyer, Director of Fiscal and Administrative Services, Government Building, La Plata, Maryland 20646, (301) 645-0570, or to Jennifer Diercksen, at Davenport & Company LLC, 8600 LaSalle Road, Suite 618, The Oxford Building, Towson, Maryland 21286, (410) 296-9426.

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SUMMARY OF OFFERING

Issuer

County Commissioners of Charles County, a body politic and corporate and a political subdivision of the State of Maryland.

Bond

County Commissioners of Charles County Consolidated Public Improvement Bonds of 2025 dated their date of initial delivery, in the aggregate principal amount of \$68,825,000 (the "Bonds").

The Bonds will be fully registered in denominations of \$5,000 or any integral multiple thereof.

Interest Payment Dates

Semiannually on April 1 and October 1, commencing April 1, 2026, until maturity or earlier redemption thereof.

Payment and Transfer

The Bonds will initially be maintained under a book-entry only system. Principal and interest on the Bonds will be paid by the Paying Agent as described herein under the caption "THE BONDS – Payment and Transfer". The Bonds may be registered, transferred, and assigned only on the registration books maintained by the Registrar as described herein under the caption "THE BONDS – Payment and Transfer".

Optional Redemption

The Bonds that mature on or before October 1, 2035 are not subject to redemption prior to their stated maturities. The Bonds that mature on or after October 1, 2036 are subject to redemption at any time on or after October 1, 2035 as a whole or in part at the option of the County, at a redemption price equal to 100% of the principal amount of the Bonds to be redeemed plus accrued interest thereon as described herein under the caption "THE BONDS – Redemption".

Federal and Maryland Income Tax Exemption*

Information as to the tax status of the Bonds may be found in the section of this Official Statement captioned "LEGAL MATTERS – Tax Matters".

Application of Proceeds*

The proceeds of and premium on the Bonds will generally be applied, together with funds from other sources, to finance certain public buildings, facilities, equipment and grounds in the County, and to pay certain costs of issuance of the Bonds. Significant projects to be financed by the Bonds include: (a) renovations to the College of Southern Maryland (\$76,000); (b) additions and renovations to Board of Education facilities (\$11,500,000); (c) various environmental service fund projects (\$10,000); (d) Board of Education new school construction (\$7,000,000); (e) improvements to various general government facilities (\$16,700,000); (f) various park projects (\$524,000); (g) various road, bridge, and sidewalk upgrades and drainage system improvements (\$2,100,000); (h) various watershed protection and stream restoration projects (\$90,000); and (i) various water and sewer projects (\$37,000,000).

A portion of the proceeds of the Bonds in the amount of \$6,260,000 issued to finance additions to certain Board of Education facilities will be issued as New School Capacity Construction Bonds pursuant to Sections 19-615 and 19-616 of the Local Government Article of the Annotated Code of Maryland and Chapter 249 of the Code of Charles County. The portion of the proceeds of the Bonds issued to finance such improvements is payable first from fair share school construction excise taxes and second from general county taxes.

Security

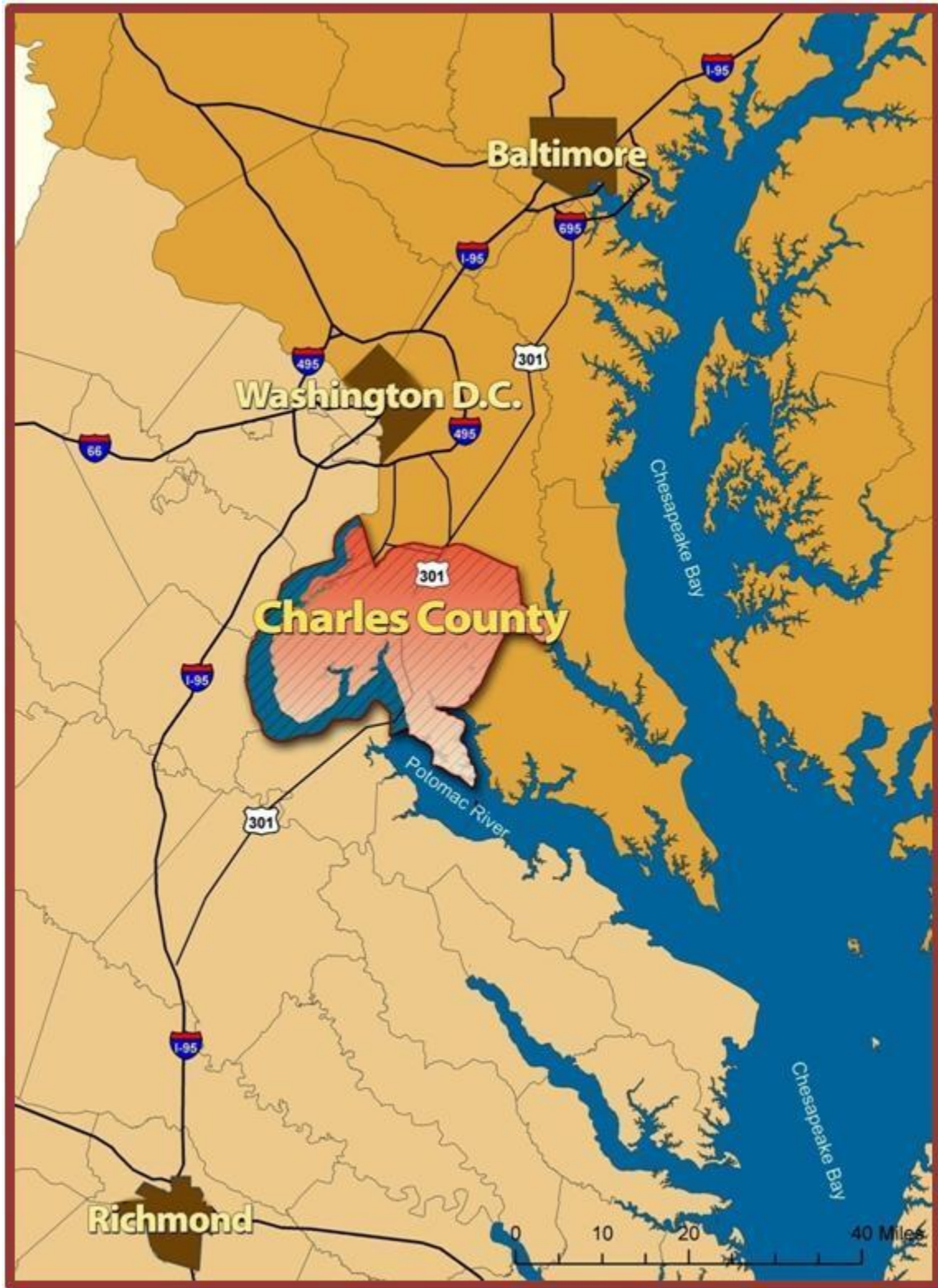
The Bonds will be general obligations of the County to the payment of which the full faith and credit of the County are pledged.

Payment Record

The County has not defaulted on the payment of the principal of or interest on any of its general obligation bonds or notes.

**THE FOREGOING INFORMATION IS QUALIFIED IN ITS ENTIRETY BY THE DETAILED
INFORMATION CONTAINED IN THIS OFFICIAL STATEMENT AND POTENTIAL INVESTORS SHOULD REVIEW
THE ENTIRE OFFICIAL STATEMENT.**

CHARLES COUNTY LOCATION MAP



OFFICIAL STATEMENT

\$68,825,000

**Charles County, Maryland
General Obligation Bonds**

**County Commissioners of Charles County
Consolidated Public Improvement Bonds of 2025**

INTRODUCTION

General

The purpose of this Official Statement, including the cover page and appendices, is to provide information for prospective purchasers and others who may become holders of any of the \$68,825,000 Consolidated Public Improvement Bonds of 2025 (the “Bonds”) of the County Commissioners of Charles County (the “County”), a body politic and corporate and political subdivision of the State of Maryland (the “State”).

The information herein has been assembled from various sources, including County records, economic data supplied by the Charles County Department of Economic Development, the Maryland Department of Commerce, the Maryland Department of Health and Mental Hygiene and financial statements prepared by the County and audited by the County’s external auditors. Figures herein relating to tax collections, assessed value of property, and the financial position of the County have been taken from official records of the County.

The County

Charles County, Maryland, located on the Southern Maryland Peninsula between the Patuxent and Potomac Rivers, adjoins Prince George’s County on the north and west and St. Mary’s County on the east. It comprises 502 square miles, of which 458 are land and 44 are water. There are three incorporated municipalities in the County, La Plata, Indian Head and Port Tobacco. La Plata, the County seat, is 71 miles from Baltimore and 32 miles from Washington, D.C.

The County is governed by the Board of County Commissioners of Charles County (the “Board”) consisting of five Commissioners who are elected for a four-year term. The President of the County Commissioners, who must declare his or her candidacy at the time of filing, is elected County-wide and may reside anywhere within the County. The four Commissioner members also run County-wide but one must reside within each of four Commissioner districts. The President serves on a full-time basis and the other Commissioners serve in a part-time capacity. The Board meets twice weekly at the Charles County Government Building in La Plata. The County’s form of government is Code Home Rule, one of two forms of home rule for counties permissible under Maryland law. This form of government allows the County to maintain a pure Commissioner form and is granted, by State law, almost all the powers of a charter county, except that no formal charter document is required.

Other elected officials include four Resident Judges of the Circuit Court, Clerk of the Circuit Court, State’s Attorney, Sheriff, Register of Wills, three Judges of the Orphans’ Court, and seven members of the County Board of Education.

The County’s executive offices are located in the Government Building, La Plata, Maryland 20646. The County’s central telephone number is (301) 645-0550. The County’s Internet address is www.charlescountymd.gov.

All references in this Official Statement to the County’s Internet home page are provided for convenience only. The information on the County’s Internet home page is not incorporated herein, by reference or otherwise.

THE BONDS

General

The Bonds will initially be maintained under a book-entry only system; beneficial owners shall have no right to receive physical delivery of certificates representing their interest in the Bonds. The Bonds will be dated as of their date of initial delivery. The Bonds will be issued in the respective aggregate principal amounts and will mature on October 1 in the respective principal amounts set forth on the inside front cover of this Official Statement. Interest on the Bonds will be payable at the interest rates set forth on the inside front cover of this Official Statement semiannually on April 1 and October 1 of each year, commencing April 1, 2026, until maturity or earlier redemption thereof, to the registered owners, as shown on the bond registration books maintained by the Registrar (the “Bond Register”) on the fifteenth day of the month immediately preceding each interest payment date. Interest on the Bonds shall be calculated based on a 360-day year consisting of twelve 30-day months. Manufacturers and Traders Trust Company will act as bond registrar and paying agent for the Bonds (the “Registrar” and “Paying Agent”).

The Bonds will be valid and legally binding general obligations of the County to which its full faith and credit and unlimited taxing power will be pledged. See “SECURITY FOR THE BONDS”.

Redemption

Optional Redemption

The Bonds that mature on or before October 1, 2035 are not subject to redemption prior to their stated maturities. The Bonds that mature on or after October 1, 2036 are subject to redemption at any time on or after October 1, 2035, as a whole or in part, at the option of the County, at a redemption price equal to 100% of the principal amount of Bonds to be redeemed, plus accrued interest thereon to the date fixed for redemption.

Mandatory Sinking Fund Redemption

The Bonds maturing on October 1, 2042, October 1, 2045, and October 1, 2055, are subject to redemption prior to maturity at a redemption price equal to the principal amount thereof plus accrued interest thereon to the date set for redemption from mandatory sinking fund installments on October 1 of the following years and in the following amounts:

\$5,870,000 Term Bonds maturing October 1, 2042

Year	Sinking Fund Installment
2040	\$4,450,000
2041	695,000
2042*	725,000

*Final maturity

\$2,360,000 Term Bonds maturing October 1, 2045

Year	Sinking Fund Installment
2043	\$755,000
2044	785,000
2045*	820,000

*Final maturity

\$10,340,000 Term Bonds maturing October 1, 2055

Year	Sinking Fund Installment
2046	\$ 855,000
2047	890,000
2048	925,000
2049	965,000
2050	1,005,000
2051	1,050,000
2052	1,090,000
2053	1,140,000
2054	1,185,000
2055*	1,235,000

*Final maturity

If such Bonds are redeemed in part prior to the mandatory redemption date, the sinking fund installments for such Bonds shall be reduced on a pro rata basis.

Redemption Procedures

If less than all of the Bonds shall be called for redemption, the particular maturities of the Bonds to be redeemed shall be selected by the County. If less than all of the Bonds of any one maturity are called for redemption, the particular Bonds or portions of Bonds to be redeemed shall be selected by lot by the Registrar, except that so long as The Depository Trust Company (“DTC”) or its nominee is the sole registered owner of the Bonds, the particular Bonds or portions thereof to be redeemed shall be selected by lot by DTC, in such manner as DTC shall determine. Each \$5,000 portion of a Bond shall be treated as a separate bond in the selection by lot of Bonds to be redeemed.

When less than all of a Bond in a denomination in excess of \$5,000 is so redeemed, then, upon the surrender thereof, there shall be issued without charge to the registered owner thereof a Bond or Bonds in any of the authorized denominations as specified by the registered owner. The amount of the Bond or Bonds issued shall be equal to the unredeemed balance of the principal amount of the Bond surrendered, and the Bond or Bonds issued shall bear the same interest rate and shall mature on the same date as the Bond surrendered.

If the County elects to redeem all or a portion of the Bonds outstanding, it shall deliver a redemption notice to DTC not less than 30 days prior to the date fixed for redemption by a secure means as prescribed in the Resolution (hereinafter defined). If the book-entry system is discontinued for the Bonds, the County shall give a redemption notice by letter mailed first class, postage prepaid, to the registered owners of the Bonds to be redeemed at their last addresses appearing on the Bond Register not less than 30 days prior to the redemption date. Failure to deliver or mail any such notice with respect to a particular Bond or any defect in such notice, or in the delivery or mailing thereof, shall not affect the validity of the redemption proceedings.

From and after the date fixed for redemption, if funds sufficient for the payment of the redemption price are held by the Paying Agent on such date and any other conditions to such redemption have been satisfied, the Bonds designated for redemption shall become due and payable at the redemption price provided for the redemption of such Bonds on such date, interest on the Bonds shall cease to accrue and the registered owners of such Bonds so called for redemption shall have no rights in respect thereof except to receive payment of the redemption price thereof from such monies held by the Paying Agent. Upon presentation and surrender of a Bond called for redemption in compliance with the redemption notice, the Paying Agent shall pay the appropriate redemption price of such Bond. If they are not paid upon presentation, the Bonds designated for redemption shall continue to bear interest at the rates stated therein until paid.

Form and Denomination

The Bonds will be issued in fully registered form without coupons and in denominations of \$5,000 or any integral multiple thereof. The Bonds will be registered as to principal and interest in the name of the owner in the Bond Register. No charge will be made to or fee imposed upon the holders of the Bonds by the Registrar in connection with its duties as Registrar for the Bonds. The County and the Paying Agent may deem and treat the person in whose name a Bond is registered as the absolute owner thereof for the purpose of receiving payment of or on account of the principal thereof and interest due thereon and for all other purposes.

The Bonds will be numbered from R-1 consecutively upward in the order of their maturity (or such other numbering which may be acceptable to the County as determined by the President of the County Commissioners), and will be of like tenor except as to maturity, principal amount, number and interest rate.

Payment and Transfer

So long as the Bonds are maintained in book-entry only form, payment of the principal or redemption price of and interest on the Bonds will be made as described below under "BOOK-ENTRY ONLY SYSTEM." At any other time, the Bonds will be payable to the registered owners, in any lawful money of the United States of America at the time of payment, as to principal at the designated corporate trust office of the Paying Agent and as to interest by check mailed to the registered owners, as shown in the Bond Register on the fifteenth day of the month immediately preceding each interest payment date. The Bonds will be transferable only upon the Bond Register, by the registered owner thereof in person or by his attorney duly authorized in writing, upon surrender thereof at the designated corporate trust office of the Registrar together with a written instrument of transfer in the form attached thereto or such other form as shall be satisfactory to the Registrar and duly executed by the registered owner or his duly authorized attorney.

Within a reasonable time after such surrender, the County will issue in the name of the transferee or transferees a new registered Bond or Bonds without coupons of any of the authorized denominations in an aggregate principal amount equal to the principal amount of the Bond exchanged or transferred and maturing on the same date and bearing interest at the same rate as such Bond. The new Bond or Bonds shall be delivered to the transferee or transferees only after payment of any required tax, fee or other governmental charge, shipping charges and insurance relating to such transfer and only after due authentication thereof by an authorized officer of the Registrar.

Application of Proceeds

The proceeds of and premium on the Bonds will generally be applied, together with funds from other sources, to finance certain public buildings, equipment, facilities, and grounds in the County, and to pay certain costs of issuance of the Bonds. Significant projects to be financed by the Bonds include: (a) renovations to the College of Southern Maryland (\$76,000); (b) additions and renovations to Board of Education facilities (\$11,500,000); (c) various environmental service fund projects (\$10,000); (d) Board of Education new school construction (\$7,000,000); (e) improvements to various general government facilities (\$16,700,000); (f) various park projects (\$524,000); (g) various road, bridge, and sidewalk upgrades and drainage system improvements (\$2,100,000); (h) various watershed protection and stream restoration projects (\$90,000); and (i) various water and sewer projects (\$37,000,000).

A portion of the proceeds of the Bonds in the amount of \$6,260,000 issued to finance additions to certain Board of Education facilities will be issued as New School Capacity Construction Bonds pursuant to Sections 19-615 and 19-616 of the Local Government Article of the Annotated Code of Maryland and Chapter 249 of the Code of Charles County. The portion of the proceeds of the Bonds issued to finance such improvements is payable first from fair share school construction excise taxes and second from general county taxes.

BOOK-ENTRY ONLY SYSTEM

The Depository Trust Company

The Depository Trust Company, New York, New York (“DTC”), will act as securities depository for the Bonds. The Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Bond certificate will be issued for each maturity of the Bonds, each in the aggregate principal amount of such maturity, and will be deposited with DTC.

DTC, the world’s largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC’s participants (“Direct Participants”) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants’ accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation (“DTCC”). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“Indirect Participants”). DTC has a Standard & Poor’s rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of the Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC’s records. The ownership interest of each actual purchaser of each Bond (the “Beneficial Owner”) is in turn to be recorded on the Direct and Indirect Participants’ records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC’s partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of the Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not affect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC’s records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Bonds may wish to take certain steps to augment the transmission to them of notices

of significant events with respect to the Bonds, such as redemptions, prepayments, defaults, and proposed amendments to the Bond documents. For example, Beneficial Owners of Bonds may wish to ascertain that the nominee holding the Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners.

Redemption notices shall be sent to DTC. If less than all of the Bonds within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such maturity to be redeemed. Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the County as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal and interest payments on the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the County or the Paying Agent, on the payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Paying Agent or the County, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the County or the Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Bonds at any time by giving reasonable notice to the County or the Paying Agent. Under such circumstances, in the event that a successor depository is not obtained, bond certificates are required to be printed and delivered.

The County may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, bond certificates will be printed and delivered to DTC.

Termination of Book-Entry Only System

In the event that the book-entry-only system is discontinued, the Bonds will be delivered by DTC to the Bond Registrar and such Bonds will be exchanged for certificated Bonds registered in the names of the Direct Participants or the Beneficial Owners identified to the Bond Registrar. In such event, certain provisions of the Bonds pertaining to ownership of the Bonds will be applicable to the registered owners of the Bonds as described herein. See "THE BONDS".

Book-Entry Only System-Miscellaneous

The information in the section "BOOK-ENTRY ONLY SYSTEM – The Depository Trust Company" has been obtained by the County from DTC. The County takes no responsibility for the accuracy or completeness thereof. None of the County, the Registrar nor the Paying Agent will have any responsibility or obligations to Direct or Indirect Participants or the persons for whom they act as nominees with respect to the payments to or in the providing of notice to Direct or Indirect Participants, or Beneficial Owners. The County cannot and does not give any assurance that Direct or Indirect Participants or others will distribute principal and interest payments paid to DTC or its nominees, as the registered owner, or any notices to the Beneficial Owners, or that they will do so on a timely basis or that they will serve and act in the manner described in this Official Statement.

SECURITY FOR THE BONDS

Sources of Payment

The principal sources of payment for the principal of the Bonds and the interest thereon are the general revenues of the County including ad valorem property taxes and income taxes.

By Resolution adopted by the Board on September 30, 2025 (the “Resolution”), the County has covenanted that it shall levy or cause to be levied, in each and every fiscal year that any of the Bonds are outstanding, ad valorem taxes upon all the legally assessable property within the corporate limits of the County in rate and amount sufficient, together with other available funds, to provide for the payment, when due, of the principal of and interest on all of the Bonds maturing in each such fiscal year. The Resolution provides that the full faith and credit and unlimited taxing power of the County are irrevocably pledged to the payment of the maturing principal of and interest on the Bonds as and when such principal and interest respectively mature and to the levy and collection of the aforesaid taxes as and when such taxes become necessary in order to provide sufficient funds to meet the debt service requirements of the Bonds.

Bondholders’ Remedies

A claim at law or in equity may be made against the County in the event that it fails to perform its obligations under the Bonds to the registered owners thereof and that any judgments or ruling by a Maryland court of competent jurisdiction resulting from such claim would be enforceable against the County. A Maryland court may have jurisdiction to entertain proceedings and power to grant additional relief, if necessary, to enforce the levy and collection of such taxes and payment of the proceeds thereof to the holders of general obligation bonds, subject to the inherent constitutional limitations referred to below. While remedies would be available to bondholders and while the Bonds are entitled to constitutional protection against the impairment of the obligation of contracts, such constitutional protection and the enforcement of such remedies would not be absolute.

Enforcement of a claim for payment of the principal of or interest on the Bonds could be made subject to the provisions of federal bankruptcy laws or of any statutes that may hereafter be constitutionally enacted by the United States Congress or the Maryland General Assembly extending the time of payment or imposing other constraints upon enforcement.

RATINGS

Fitch Ratings, Moody’s Investors Service, Inc., and S&P Global Ratings have given the Bonds the ratings indicated on the cover page of this Official Statement. An explanation of the significance of such ratings may be obtained only from the rating agency furnishing the same. The County furnished to such rating agencies the information contained in a preliminary form of this Official Statement and other information. Generally, rating agencies base their ratings on such materials and information, as well as their own investigations, studies and assumptions. Such ratings may be changed at any time and no assurance can be given that they will not be revised downward or withdrawn entirely by any or all of such rating agencies if, in the judgment of any or all, circumstances so warrant. Any such downward revision or withdrawal of any of such ratings may have an adverse effect on the market price of the Bonds.

LEGAL MATTERS

Official Statement

All quotations, summaries and explanations in this Official Statement of State and County laws do not purport to be complete and reference is made to pertinent provisions of the same for complete statements. All estimates and assumptions herein have been based upon information believed to be reliable and correct; however, statements made involving estimates and assumptions, whether or not expressly so stated, are intended merely as

such and not as representations of fact. The information and expressions of opinion herein are subject to change without notice and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances create any implication that there has been no change in the affairs of the County since the date as of which such information is stated or the date hereof. This Official Statement shall not be construed as part of any contract between the County and purchasers or holders of its Bonds. The County has been advised by McGuireWoods LLP, Baltimore, Maryland, Bond Counsel, in connection with legal statements contained in this Official Statement; however, Bond Counsel has not passed upon or assumed responsibility for the accuracy of the financial statements and economic data contained herein.

Authority for the Bonds

The Bonds are issued pursuant to the provisions of Section 97-1 of the Code of Charles County (2013 Edition, as amended) (the “Code of Charles County”), Section 19-101 of the Local Government Article of the Annotated Code of Maryland, as amended (the “Local Government Article”), Sections 19-501 through 19-510, inclusive, of the Local Government Article, Bill No. 2025-01, Sections 19-615 and 19-616 of the Local Government Article and Chapter 249 of the Code of Charles County. The County has authorized the issuance, sale and delivery of the Bonds by adoption of the Resolution, as supplemented.

Tax Matters

Opinion of Bond Counsel – Federal Income Tax Status of Interest

Bond Counsel’s opinion regarding the federal income tax status of the interest on the Bonds will state that, under current law and assuming continuing compliance with the Covenants (as hereinafter defined), interest on the Bonds (i) is excludable from gross income for purposes of federal income taxation under Section 103 of the Code and (ii) is not a specific item of tax preference for purposes of the federal alternative minimum tax on individuals. In addition, such interest is included in the “adjusted financial statement income” (as defined in Section 56A of the Code) of certain corporations in determining the applicability and amount of the federal corporate alternative minimum tax imposed under Section 55(b) of the Code. See “FORM OF APPROVING OPINION OF BOND COUNSEL” in Appendix B hereto.

Bond Counsel’s opinion speaks as of its date, is based on current legal authority and precedent, covers certain matters not directly addressed by such authority and precedent, and represents Bond Counsel’s judgment as to the excludability of interest on the Bonds for federal income tax purposes. Bond Counsel’s opinion does not contain or provide any opinion or assurance regarding the future activities of the County or about the effect of future changes in the Code, the applicable regulations, or the interpretation or the enforcement thereof by the Internal Revenue Service (the “IRS”) and the courts.

Although Bond Counsel is of the opinion that interest on the Bonds is excludable from gross income for federal income tax purposes, the ownership or disposition of, or the accrual or receipt of interest on, Bonds may otherwise affect the federal tax liability of an owner of the Bonds. The nature and extent of these other federal tax consequences depend on the owner’s particular tax status and levels of other income or deductions. Bond Counsel will express no opinion regarding any such other tax consequences and prospective purchasers of the Bonds should consult their own tax advisors with respect thereto.

Reliance and Assumptions; Effect of Certain Changes

In delivering its opinion regarding the federal income tax treatment of interest on the Bonds, Bond Counsel is relying upon certifications of representatives of the County, the Underwriter, as hereinafter defined, and other persons as to facts material to the opinion, which Bond Counsel has not independently verified.

In addition, Bond Counsel is assuming continuing compliance with the Covenants (as hereinafter defined) by the County. The Code and the regulations promulgated thereunder contain a number of requirements that must be satisfied after the issuance of the Bonds in order for interest on the Bonds to be and remain excludable from gross income for purposes of federal income taxation. These requirements include, by way of example and not limitation, restrictions on the use, expenditure and investment of the proceeds of the Bonds and the use of the property financed or refinanced by the Bonds, limitations on the source of the payment of and the security for the Bonds, and the obligation to rebate certain excess earnings on the gross proceeds of the Bonds to the United States Treasury. The tax compliance agreement for the Bonds contains covenants (the “Covenants”) under which the County has agreed to comply with such requirements. Failure by the County to comply with the Covenants could cause interest on the Bonds to become includable in gross income for federal income tax purposes retroactively to their date of issue. If such a failure were to occur, the available enforcement remedies may be limited by applicable provisions of law and, therefore, may not be adequate to prevent interest on the Bonds from becoming includable in gross income for Federal income tax purposes.

Bond Counsel has no responsibility to monitor compliance with the Covenants after the date of issue of the Bonds.

Certain requirements and procedures contained, incorporated or referred to in the tax compliance agreement, including the Covenants, may be changed and certain actions may be taken or omitted subject to the terms and conditions set forth in such agreement. Bond Counsel expresses no opinion concerning any effect on the excludability of interest on the Bonds from gross income for federal income tax purposes of any such subsequent change or action that may be made, taken or omitted upon the advice or approval of counsel other than Bond Counsel.

Original Issue Discount

Bonds purchased in the initial public offering with yields higher than their applicable interest rates, as shown on the inside cover page hereof, have been sold with “original issue discount.” Each such Bond is referred to below as an “OID Bond.” The excess of (i) the stated amount payable at the maturity (excluding qualified stated interest) of any OID Bond over (ii) the issue price of the OID Bond as determined under Section 1273 of the Code (which may differ from the price shown on the inside front cover page of this Official Statement) constitutes the amount of original issue discount, which is treated in the same manner as interest on the Bonds for federal income tax purposes.

The Code provides that the amount of original issue discount accrues in accordance with a constant interest method based on the compounding of interest. In the case of an original owner of an OID Bond, the amount of original issue discount that is treated as having accrued on such OID Bond is added to the owner’s adjusted basis in determining, for federal income tax purposes, gain or loss upon the disposition of the OID Bond (including its sale, redemption or payment at maturity). The amounts received upon such disposition that are attributable to accrued original issue discount will be excludable from the gross income of the owner for federal income tax purposes.

The accrual of original issue discount and its effect on the redemption, sale or other disposition of OID Bonds that are not purchased in the initial public offering may be determined according to rules that differ from those described above.

In addition, original issue discount that accrues in each year to an owner of an OID Bond is included in the calculation of the distribution requirements of certain regulated investment companies and may result in some of the collateral federal income tax consequences discussed in this section. Consequently, the owner of an OID Bonds should be aware that the accrual of original issue discount in each year may result in additional distribution requirements or other collateral federal income tax consequences although such owner has not received cash attributable to such original issue discount in such year.

Prospective purchasers of OID Bonds should consult their own tax advisors with respect to the precise determination for federal income tax purposes of the original issue discount accrued upon sale or redemption of such OID Bonds (including OID Bonds not purchased in the initial public offering) and with respect to the state and local tax consequences of owning OID Bonds.

Original Issue Premium

Bonds purchased in the initial public offering with yields lower than their applicable interest rates, as shown on the inside cover page hereof, have been sold with “bond premium.” Each such Bond is referred to below as an “OIP Bond.” The excess of (i) the owner’s basis in the OIP Bond immediately after acquisition over (ii) the amount payable at maturity (excluding qualified stated interest) as determined under Section 171 of the Code constitutes the amount of the bond premium. Under the Code, the bond premium is amortized based on the owner’s yield over the remaining term of the OIP Bond (or, in the case of certain callable OIP Bonds, to an earlier call date that results in a lowest yield on the OIP Bond). The owner of an OIP Bond must amortize the bond premium by offsetting the qualified stated interest allocable to each interest accrual period against the bond premium allocable to that period. No deduction is allowed for such amortization of bond premium even though the owner is required to decrease the adjusted basis in the owner’s OIP Bond by the amount of the amortizable bond premium, which will result in an increase in the gain (or decrease in the loss) recognized for federal income tax purposes upon a sale or disposition of the OIP Bond prior to its maturity.

Prospective purchasers of any OIP Bonds should consult their own tax advisors regarding the treatment of bond premium for federal income tax purposes, including various special rules relating thereto, and state and local tax consequences, in connection with the acquisition, ownership, sale, exchange, or other disposition of, and amortization of bond premium on, such OIP Bonds.

Certain Collateral Federal Tax Consequences

The following is a brief discussion of certain collateral federal income tax matters with respect to the Bonds. It does not purport to address all aspects of federal taxation that may be relevant to a particular owner thereof. Prospective purchasers of the Bonds, particularly those who may be subject to special rules, are advised to consult their own tax advisors regarding the federal tax consequences of owning or disposing of the Bonds.

Prospective purchasers of the Bonds should be aware that the ownership of tax-exempt obligations may result in collateral federal income tax consequences to certain taxpayers including, without limitation, banks and other financial institutions, certain insurance companies, dealers in tax-exempt obligations, certain corporations (including S corporations and foreign corporations), certain foreign corporations subject to the “branch profits tax,” individual recipients of Social Security or Railroad Retirement benefits, owners of an interest in a financial securitization trust, taxpayers entitled to claim the refundable credit in Section 36B of the Code for coverage under a qualified health plan, taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry tax-exempt obligations and taxpayers attempting to qualify for the earned income tax credit.

Information Reporting and Backup Withholding

Prospective purchasers should be aware that the interest on the Bonds is subject to information reporting to the IRS in a manner similar to interest paid on taxable obligations. In addition, interest on the Bonds may be subject to backup withholding if the interest is paid to an owner who or which (i) is not an “exempt recipient” and (ii) (A) fails to furnish an accurate U.S. taxpayer identification number in the manner required, (B) has been notified of a failure to report all interest and dividends required to be shown on federal income tax returns or (C) fails to certify under penalty of perjury that the owner is not subject to withholding. Individuals generally are not exempt recipients, although corporations and other entities generally are.

The reporting and backup withholding requirements do not in and of themselves affect the excludability of interest on the Bonds from gross income for federal income tax purposes, and amounts withheld under the backup withholding rules may be refunded or credited against the owner's federal income tax liability, if any, provided that the required information is timely furnished to the IRS.

Opinion of Bond Counsel -- State Tax Exemption

Bond Counsel's opinion will also state that, under existing law of the State of Maryland, the principal of and interest on the Bonds, the transfer of the Bonds, and any income derived from the Bonds, including profits made in their sale or transfer, are exempt from State and local taxes in the State of Maryland; however, the terms of the law of the State of Maryland does not expressly refer to, and no opinion is expressed concerning, estate or inheritance taxes or any other taxes not levied or assessed directly on the Bonds, the interest thereon, their transfer or the income therefrom.

Interest on the Bonds may be subject to state or local income taxes in jurisdictions other than the State of Maryland under applicable state or local tax laws. Such holders or prospective purchasers of the Bonds should consult their own tax advisors with respect to the tax status of the interest on Bonds in jurisdictions other than the State of Maryland.

Effects of Future Enforcement, Regulatory and Legislative Action

The IRS has established a program to audit tax-exempt obligations to determine whether the interest thereon is includible in gross income for federal income tax purposes. If the IRS does audit the Bonds, the IRS will, under its current procedures, treat the County as the taxpayer. As such, the beneficial owners of the Bonds will have only limited rights, if any, to participate in the audit or any administrative or judicial review or appeal thereof. Any action of the IRS, including but not limited to the selection of the Bonds for audit, or the course or result of such audit, or an audit of other obligations presenting similar tax issues, may affect the marketability or market value of the Bonds.

Legislation affecting tax-exempt obligations is regularly considered by the U.S. Congress and various state legislatures. Such legislation may effect changes in federal or state income tax rates and the application of federal or state income tax laws (including the substitution of another type of tax), or may repeal or reduce the benefit of the excludability of interest on the tax-exempt obligations from gross income for federal or state income tax purposes.

The U.S. Department of the Treasury and the IRS and state regulatory authorities are continuously drafting regulations to interpret and apply the provisions of the Code and state law and court proceedings may be filed the outcome of which could modify the federal or state tax treatment of tax-exempt obligations.

There can be no assurance that legislation proposed or enacted after the date of issue of the Bonds, regulatory interpretation of the Code or state laws or actions by a court involving either the Bonds or other tax-exempt obligations will not have an adverse effect on the Bonds' federal or state tax status, marketability or market price or on the economic value of the tax-exempt status of the interest on the Bonds.

Prospective purchasers of the Bonds should consult their own tax advisors regarding the potential consequences of any such proposed or pending federal or state tax legislation, regulations or litigation, as to which Bond Counsel expresses no opinion.

Legality of the Bonds

The authorization, sale, issuance and delivery of the Bonds will be subject to legal approval by McGuireWoods LLP, Baltimore, Maryland, Bond Counsel, and a copy of their unqualified approving legal opinion will be delivered upon request, without charge, to the successful bidder for the Bonds. Such opinion will be substantially in the form of the opinion attached to this Official Statement as Appendix B.

Litigation

In the opinion of the County Attorney, there is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, regulatory agency, public board or body, pending (service of process of which has been made on the County) or, to the knowledge of the County, threatened, seeking to prohibit, restrain or enjoin the issuance, sale or delivery of the Bonds, the application of the proceeds thereof in accordance with the Resolution, or in any way contesting or affecting the validity or enforceability of the Bonds or the Resolution or the performance by the County of any of its obligations thereunder.

The County was named as a defendant in one lawsuit where, in the opinion of the County Attorney, the anticipated monetary losses if the lawsuit was adjudicated adversely to the County, may be material. The lawsuit is summarized below.

Amanda Stewart, et al. vs. The Charles County Board of County Commissioners: On December 12, 2022, the Board of County Commissioners attempted to terminate the employment of two employees, the County Administrator and the County Attorney, under their respective termination without cause contract provisions. While their claims have not ripened as neither employee has been terminated as of the date hereof, should the County terminate either of those employees, the County will be subject to damages claims that are expected to exceed \$100,000. The County filed a declaratory judgment lawsuit designed to limit the County's exposure to liability for these claims. The Circuit Court entered a declaratory judgment in favor of the County. An appeal of Circuit Court's decision to the Appellate Court of Maryland, which affirmed the Circuit Court's judgment, and to the Supreme Court, which denied the writ of certiorari, were noted. Accordingly, all appeal rights related to the declaratory judgment have been exhausted. Although there are attorney's fees, there is no component of monetary damages in this case.

FEDERAL POLICY ACTIONS

Federal policies involving taxation, appropriations, borrowing, trade, immigration, education, environmental matters and other topics can shift, sometimes dramatically, from one presidential administration or Congress to another. From time to time, such shifts may be followed by material increases or decreases in the levels of federal funding directly affecting federal agencies and authorities and indirectly affecting state and local recipients of such funding. Recently, the current presidential administration has proposed policy shifts that involve, among other things, proposed delays and reductions in grants and appropriations, reductions in the federal workforce, and elimination or downsizing of certain federal agencies and departments, and a shutdown of the federal government is currently ongoing. Federal government employee reductions, any terminations of federal contractors and ongoing federal government shutdowns may impact the County and its residents. The County may have some exposure to potential federal funding freezes or cuts, which could reduce operating revenue. The exact exposure to the County and its finances cannot be determined at this time. The County is monitoring various federal grant programs administered by the County which may be reduced or eliminated and the impact of the current federal government shutdown.

CONTINUING DISCLOSURE UNDERTAKING

In order to enable participating underwriters (as defined in Rule 15c2-12 of the Securities and Exchange Commission) to comply with the requirements of paragraph (b)(5) of Rule 15c2-12 of the Securities and Exchange Commission (“Rule 15c2-12”), the County will execute and deliver a continuing disclosure agreement (the “Continuing Disclosure Agreement”) on or before the date of issuance and delivery of the Bonds, the form of which is attached to this Official Statement as Appendix D. Potential purchasers of the Bonds should note that the definition of Listed Events in Appendix D is intended to completely restate the events specified in Rule 15c2-12. It is noted that certain Listed Events are expected to have no applicability to the Bonds, such as the possibility of unscheduled draws on debt service reserves and matters affecting collateral for the Bonds.

In the previous five years, the County has not failed to comply in any material respect with any of its prior continuing disclosure undertaking made pursuant to Rule 15c2-12.

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COUNTY GOVERNMENT AND ADMINISTRATION

Charles County Governmental Organization

Voters

Board of County Commissioners

COUNTY ADMINISTRATOR (APPOINTED/DESIGNATED)

Department

Public Works
Fiscal and Administrative Services
Planning and Growth Management
Community Services
County Attorney
Emergency Services
Human Resources
Economic Development
Recreation, Parks & Tourism

AGENCIES (Varying Degrees of State and County Control)

Sheriff (Police Services)
Detention Center
Public Schools
College of Southern Maryland
Health
Libraries
Social Services
State's Attorney
Circuit Court
Orphan's Court
Supervisor of Elections

County Commissioners

Reuben B. Collins, II, Esq. – President, County Commissioner was elected Commissioner President in November 2018 and again in November 2022. Prior to 2018, Commissioner President Collins was elected as Commissioner for District 3 in 2006 serving two (2) terms. Commissioner President Collins, was born in Washington D.C., raised in Bryans Road, and is a proud graduate of the Charles County school system. Commissioner President Collins earned his Bachelor of Arts degree in Political Science from Fisk University in Nashville, Tennessee, advancing to earn his Jurisprudence Doctorate (J.D.) from the District of Columbia School of Law. For over 20 years, he practiced law for R.B. Collins Law, LLC with emphasis on corporate and small business transactions. His public service career started more than 30 years ago to include two previous terms as Charles County Commissioner for District 3 and Charles County Vice President during his second term in office. Commissioner President Collins is the first African American elected as Commissioner President for Charles County. Commissioner President Collins served as Chair of the Metropolitan Washington Council of Governments (“COG”) Transportation Planning Board in 2023, is currently COG Board First Vice Chair and will be installed as the COG Board Chair for 2026. He has worked on several important County initiatives including the Charles County Housing Authority, 2008, Minority Business Program Collaboration, 2008, Rural Housing Improvement Initiative, 2009, Waldorf Sidewalk Initiative, 2010, Light Rail Initiative Collaboration, 2011, Summer Youth Employment Program, 2012, Waldorf Beautification Project, 2012, Waldorf Redevelopment Corridor, 2012, Pomonkey Redevelopment Project, 2013, affordable housing measures, 2020 and 2021, and the creation of the Interfaith Commission, 2021. Also, Commissioner President Collins spearheaded the passage of Resolution 2021-24 Commitment to Diversity, Equity, and Inclusion, which includes use of an equity impact assessment tool to assess the actual or anticipated effect of proposed policies, institutional practices, programs, plans, and budgetary decisions considered by the Board of Commissioners. Commissioner President Collins is the author of *Evolutionary Actuality*, published in February 2013, and *On Resistance and the Expansion of We the People's Civil Rights in America*, published in 2021.

Ralph E. Patterson, II, M.A. – The Honorable Ralph E. Patterson was elected to represent District 4 residents on the Charles County Board of Commissioners in November 2022. He serves as the Commission’s Vice President and is the former Chair of the Tri-County Council for Southern Maryland. In his role as Commissioner, he also serves as the representative on the Board of Fire & Rescue, Economic Development Advisory Board and alternate member for Maryland Association of Counties (“MACo”). Commissioner Patterson’s first elected office was for the Charles County Democratic Central Committee where he served for two years. Prior to his election, he assisted in various campaigns at the local, state and national levels. His public service and leaderships are a cumulative result of having spent his formative years participating in the electoral process, and public education. He is a former teacher in Birmingham, Alabama; Charles County Public Schools; Dekalb County Georgia Public Schools, and Prince George’s Public Schools. He continues teaching and is a former member of the National Education Association, Prince George’s County Education Association where he served as Government Relations Committee, and Education Association of Charles County. His commitment to working with students extends beyond the classroom as evidenced by his coaching engagements as Head Coach, varsity girls’ soccer team; junior varsity softball team; Henry E. Lackey’s High School Head Coach varsity boys soccer team; Surrattsville High School boys’ soccer; and Henry E. Lackey’s Mock Trial coach. In 2005, he was awarded the Outstanding Achievement, National Academics Team and in 2011, Coach of the Year by the Southern Maryland Athletic Conference. Commissioner Patterson was born in Washington, DC and grew up in Pomfret, MD. He is a graduate of McDonough High School, earned a Bachelor of Arts degree in History from The American University, and Master of Arts in History from University of Alabama at Birmingham where he authored a public article entitled “Silver Bullet: Depleted Uranium as a Military Weapon” in the Vulcan Historical Journal. He lives in Waldorf, MD and is the proud Girl Dad to Ryann, who is a Freshman at Howard University and Evann a rising senior at Holy Family Cristo Rey Catholic High School in Birmingham, AL. He is the son of the late educator and 20-year veteran of the U.S. Army, Ralph E. Patterson and Maryland State Delegate, Dr. Edith J. Patterson.

Gilbert O. Bowling, III – County Commissioner (District 1) was elected in November 2018 and again in November 2022. Commissioner Gilbert “BJ” Bowling III is a lifelong resident of Charles County. Commissioner Bowling has always served his community and enjoyed a career in public safety and retired after 22 years of service. As such, he is a 25-year member of his union where he has served in a variety of capacities on the Board of Directors. Active in many community organizations, Commissioner Bowling volunteered with the United Way of Charles County where he served on the Board of Directors as Chairman. Commissioner Bowling was elected to the Charles County Democratic Central Committee in 2014 and served as the Chairman for 3 years from 2014-2017. He sits on many committees: the Board of Fire and Rescue, Chesapeake Bay Critical Area Commission, Fire/EMS Scholarship Committee, Metropolitan Washington Council of Governments (“COG”): Food and Agriculture Regional Member (“FARM”) Committee, Patuxent River Commission, Veterans Regional Advisory Committee (Vice Chair 2018 – 2022 and Chair 2020 – 2021), Justice Reinvestment Oversight Board MACo Representative, and alternates on the Maryland Association of Counties (“MACo”): Legislative Committee, and COG Board of Directors. He owns and operates a 5th generation family farm with his father. Commissioner Bowling has worked on several County initiatives over the last four years, including transportation, long-awaited broadband expansion, attracting numerous businesses, continuous support of the public education system, and public safety.

Thomasina O. Coates, M.S. – County Commissioner (District 2) was elected in November 2018 and again in November 2022. Commissioner Coates, M.S. is a native of Charles County. Commissioner Coates is a proud graduate of Charles County Public Schools. She earned her Associate’s Degree in Computer Science from the College of Southern Maryland in Charles County. She earned her Bachelor of Science degree in Information Technology and her Master’s degree in Information Technology Management. She has over 30 years of experience in the Information Technology workforce. Commissioner Coates is a graduate of the Leadership of Southern Maryland Class of 2022. She serves on several local and regional boards across Southern Maryland, where she advocates for small, women- and minority-owned businesses; nonprofit organizations; the senior/aging community; and equitable housing opportunities for all, while also supporting the economic viability of Charles County.

Amanda M. Stewart, Ed.D. – County Commissioner (District 3) was elected in November 2014 and re-elected in November 2018 and November 2022. Dr. Stewart has served as the County Commissioner for District 3 since her election in November 2014, with subsequent re-elections in 2018 and 2022. A resident of Charles County for over 30 years, Dr. Stewart is an alumna of Thomas Stone High School in Waldorf. She holds a Doctorate in Education from Walden University, a Master’s degree in Education, Administration, and Supervision from Bowie State University, and a Bachelor of Science degree from the University of Maryland at Eastern Shore. In addition to her academic achievements, Dr. Stewart has earned Maryland Administrative I and II certifications and an Advanced Professional Certificate in Biology, Health Education, and Special Education. With more than 25 years of experience in education, she is currently dedicated to protecting student rights and facilitating professional development programs to enhance teachers’ skills and effectiveness in the classroom. Commissioner Stewart is a member of the National Association for the Advancement of Colored People (“NAACP”), Council of Parent Attorneys and Advocates (“COPAA”), and the Charles County Chamber of Commerce. At the start of her first term as a commissioner, Dr. Stewart was appointed to the Charles County Public Library Board of Trustees, and joined the Smart Growth America Local Leaders Council, Maryland Chapter.

Appointed Officials

Deborah E. Hall, CPA – Appointed Acting County Administrator in April 2023 and held previous positions of Deputy County Administrator (10 years), and Director of Fiscal and Administrative Services, and has held multiple short-term appointments including Director of Economic Development and Director of Planning and Growth Management. Ms. Hall has extensive experience and tenure with Charles County Government, having just completed her 18th year of appointed service. Prior to Ms. Hall’s employment with Charles County, she worked in the finance department of both Charles County Public Schools and Calvert County Public Schools. Ms. Hall holds a Master of Business Administration and a Bachelor of Science degree from the University of Baltimore, graduating magna cum laude, and received her Certificate of Public Accounting (“CPA”) in 1992. She is an active member of the International City/County Management Association (“ICMA”) and has completed the Senior Executive Institute (“SEI”) held at the University of Virginia, Charlottesville Campus. She is also an active member in the Governmental Finance Officers Association, Maryland Association of Certified Public Accountants (“MACPA”), and served as President and Treasurer of the Southern Maryland Chapter of the MACPA, holding the position of President twice.

Danielle Mitchell – Appointed Acting Deputy County Administrator in July 2025 and previously held the position of Assistant Deputy County Attorney. Ms. Mitchell holds a Bachelor of Arts from Michigan State University and a Juris Doctorate from Cooley Law School in Lansing, Michigan. Ms. Mitchell has been employed by the County since August 2014 and began her career with the County as Clerk to the County Commissioners. In her current role as Acting Deputy County Administrator, Ms. Mitchell provides leadership, program direction, policy guidance, and administrative management to assist the County Administrator in carrying out assigned activities; coordinates activities that are often diverse and difficult to integrate and administer; represents the County Administrator on a wide range of matters within County government to other government entities, private organizations, and community groups; and initiates proposals, policies, projects, and programs to improve County services, responds to mandated requirements, and meets the needs of County residents.

Wes Adams – Appointed County Attorney for Charles County in May 2019, where he is responsible for providing legal advice and services to County departments, boards and commissions, as well as the elected Board of County Commissioners, the County Administrator, and affiliated agencies. Prior to his appointment as County Attorney, Mr. Adams served as State’s Attorney for Anne Arundel County, Maryland, where he was responsible for running their day-to-day operations, developing policy reforms and managing a staff of 52 lawyers and 70 support staff members, with an \$11 million annual budget. Mr. Adams served statewide appointments to the Police Standards Training Commission and the Maryland State Board of Crime Victims Services. Prior to Mr. Adams election as State’s Attorney, he had a 20-plus year public service career as a prosecutor in Baltimore City and Prince George’s County, Maryland. Throughout his career, Mr. Adams

taught classes at the national, state and local levels to judges, lawyers and police departments on various subjects, and has worked consistently with state legislators on various legislation. Additionally, Mr. Adams has served on the Board of Directors for Anne Arundel County Court Appointed Special Advocates, Inc., which assists abused and neglected children, and Serenity Sistas, Inc., a substance abuse recovery housing network. Mr. Adams also actively participates in the community as a youth baseball and football coach. Mr. Adams earned his Juris Doctorate from the Catholic University, Columbus School of Law in 1997, and his Bachelor of Arts degrees in Political Science and English from Amherst College in 1991.

Jacob Dyer – Officially promoted to Director of Fiscal & Administrative Services in June 2025 after holding the title of Acting Director of Fiscal & Administrative Services since June 2023. Mr. Dyer holds a Bachelor of Science degree from Frostburg State University with a concentration in finance and a minor in Economics, and a Master of Science degree in financial management from University of Maryland Global Campus. He is a 2021 graduate of the Professional Development Academy’s National Association of Counties (“NACo”) High Performance Leadership Academy. Mr. Dyer has been employed by the County since May 2002, beginning his career with the County as a budget analyst, and was promoted to the Chief of Budget role in 2018. In that role, he led the budget team to multiple national awards from the Government Finance Officer Association (“GFOA”) for excellence in budget presentations regarding the County’s budget document. In his current Acting role as Director, Mr. Dyer oversees the divisions of Budget, Accounting, Treasury, Purchasing, and Information Technology. He has been an active member of the Maryland GFOA (“MDGFOA”) association during his tenure. Mr. Dyer is a member of two pension committees: County employees and Public Safety employees. He also serves as chairman of the Length of Service Award Program board which is an award program for the County’s volunteer firefighters and rescue squad members.

Kelli Beavers – Appointed Director of the Department of Recreation, Parks, and Tourism in November 2021. Ms. Beavers holds a Master of Arts degree in counseling from the University of the District of Columbia and a Bachelor of Science degree in microbiology from Howard University. She is a Certified Parks and Recreation Professional and holds a performance measurement certification from Rutgers University. She is a graduate of Leadership Arlington, Metropolitan Washington Council of Government’s Institute for Regional Excellence, National Forum for Black Public Administrator’s Executive Leadership Institute and Leadership Prince George’s. She has 25 years of innovative leadership in the parks and recreation industry including operations, planning and development of capital projects. She has managed, directed, and implemented a multimillion-dollar complex parks and recreation program with several facilities, parks, and playgrounds.

Dina M. Barclay – Appointed as Director of Community Services in 2018. Ms. Barclay has worked for 29 years in County Government. Ms. Barclay began working in the Department of Community Services in 1996 as a Long-Term Care Supervisor; was promoted as the Aging Services Administrator in 1999; and became the Division Chief for Aging & Human Services in 2009. Ms. Barclay graduated Magna Cum Laude from the University of Maryland College Park with a double major in Psychology and Criminology, followed by a Graduate Fellowship in the Marriage and Family Therapy program. Ms. Barclay has served on the Board of Directors for the United Way of Southern Maryland since 2017; is a past member of the National Council on Aging, an emeritus officer of the Maryland Association of Area Agencies on Aging, and a member of the Partnerships for a Healthier Charles County’s Access to Care Committee working on the State Health Improvement Plan initiatives for Charles County. In 2019, she began representing Charles County on the Regional Council of Government’s Racial Equity Learning Cohort in the Government Alliance on Race & Equity (“GARE”), and she applies equity learning locally as a member of Charles County’s Diversity Equity & Inclusion Community of Practice.

Martin L. Harris – Appointed Director of Public Works on October 3, 2022. Mr. Harris has more than 25 years of state and local government management experience within the field of public works and transportation. He formerly served as the deputy director and acting director of Public Works and Transportation for Prince George’s County where he was responsible for road and bridge construction, safety and environmental initiatives, public transportation, and storm water maintenance. Mr. Harris also served as state legislative officer for the Maryland Department of Transportation. He holds a bachelor’s degree in Government from Harvard University.

Alexis Blackwell – Appointed Director of Human Resources on June 11, 2019. Ms. Blackwell has over 29 years of experience in Human Resources Management within the public and private sectors. Prior to her appointment with Charles County Government, Ms. Blackwell served as the Human Resources Director for the City of Takoma Park where she oversaw human resources programs and operations for over 200 employees, reviewed and approved all disciplinary actions and terminations to ensure fairness and equity in programs citywide, and negotiated with unions to identify agreeable terms for contracts. Her notable career accomplishments include reducing Workers' Compensation losses by more than \$400,000 within two years, successfully implementing an online employment application program to improve affirmative action compliance and spearheading the development of an effective safety and health program. Previously, Ms. Blackwell served in various human resources roles with private sector organizations including Goodwill of Greater Washington; Post, Buckley, Schuh & Jernigan; the International Food Policy Research Institute; and Howard Restaurants, Inc. Ms. Blackwell holds a SHRM-SCP through the Society for Human Resources Management and a PSHRA-SCP through the Public Sector Human Resources Association. She is affiliated with the Human Resources Association of the Southern Maryland Area and the Metropolitan Washington Council of Governments Personnel Officers Technical Committee. Ms. Blackwell received her undergraduate degree in Human Resources Management from The George Washington University in Washington, D.C.

Michelle Lilly – Appointed Director of Emergency Services on March 14, 2020. As director of the Department of Emergency Services, Ms. Lilly oversees 9-1-1 Communications, Emergency Medical Services, Animal Control, Emergency Management, False Alarm Reduction Unit, and Special Operations Division that consists of the Hazardous Material Team (“HazMat”), Mobile Integrated Health Team (“MIH”), Tactical Emergency Medical Services (“TEMS”) Marine Unit, and Critical Incident Stress Management (“CISM”), and Unmanned Aerial Systems (“UAS”). She also serves as the liaison and coordinator between the department and local, county, state, federal, and non-governmental agencies including the Charles County Volunteer Fire and EMS Associations. Ms. Lilly has 20 years of experience in emergency services. She joined Charles County Government in April 2009 as the chief of the Emergency Management Division and most recently served as the assistant director of Emergency Services. In the assistant director role, she supported the director of Emergency Services with managing the administration, operations, and financial functions of the department. This also included employee engagement, budget development, administration and management of Emergency Services programs, interagency liaison, and assistance in planning, organizing, and directing the operation of Emergency Services. Prior to that, from 2005 to 2009, Ms. Lilly served as a manager and emergency planner with St. Mary's County Department of Public Safety where she supervised Animal Control, Emergency Management, and volunteer emergency services coordination. Ms. Lilly is certified through the International Association of Emergency Managers as a Certified Emergency Manager, holds a Maryland Professional Emergency Management Program Certification issued by the Maryland Emergency Management Association, and is a member of Cohort X, of the Federal Emergency Management Agency Executive Academy. Ms. Lilly has a Master of Public Health from West Virginia University in Morgantown, West Virginia, and a Bachelor of Science degree in health sciences from Mountain State University, in Beckley, West Virginia.

Jason R. Groth – Appointed Director of the Charles County Department of Planning & Growth Management in April 2025. He has over 28 years of experience in the planning industry with 20 years of management experience. He has expertise in planning aspects of transportation, land use, housing, water resources, economic development, emergency management, sensitive areas, recreation, and adequate public facilities. Mr. Groth has a bachelor's degree in environmental analysis and planning from Frostburg State University, in Frostburg, Maryland. He is certified by the American Institute of Certified Planners and is a graduate of the National Association of Counties Leadership Academy. He has served as the chair of numerous professional boards including the Metropolitan Washington Council of Governments Transportation Planning Board Technical Committee, Charles County Government's Water Resource Advisory Board, and the Charles County School Capacity Allocation Committee.

Jim Chandler –Appointed Director of Economic Development for Charles County Government in August 2025, leading the County’s investment and business retention efforts. He is a certified Economic Development (“CEcD”) professional focused on local urban revitalization, real estate development, and programs with federal, state, and local funding. Mr. Chandler previously served as Assistant Deputy Chief Administrative Officer for Economic Development in Prince George’s County, Maryland. In this role, Mr. Chandler led the County’s real estate development efforts, including Transit Oriented Development (“TOD”)-focused development of the Blue Line Corridor, New Carrolton Transit Hub, and serving as a member of the FBI-Greenbelt site development team. Prior to serving Prince George’s County, Mr. Chandler served 16 years as Assistant City Administrator and Director of Community & Economic Development with the City of Hyattsville, Maryland. Mr. Chandler is a graduate of Johns Hopkins University with a BA in Political Science and a Masters of Public Policy from Stony Brook University. He served as a Board Member of the Anacostia Trails Heritage Area (“ATHA”) and is an active member of the Maryland Economic Development Association (“MEDA”) Professional Development Committee.

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Pension and Retirement Programs

General County Employees. The County provides retirement benefits for general employees (non-public safety and public safety) through a defined benefit pension plan under a group annuity contract with Empower. A non-public safety participant may retire at normal retirement at age 60 with 20 years of service or age 62 with at least 5 years of service. There is an early retirement provision whereby a participant who is at least 52 years of age with at least 5 years of service is eligible for retirement but would incur a reduction in their annuity benefit. The annuity benefit payable to a retiring participant is the average of the highest three consecutive rates of annual earnings of the last 10 years before retirement for each year of credited service. Credited Service is calculated at the rate of 1.5% for each of the first five years of eligible employment; 1.75% for each of the next five years of eligible employment; 2.0% for years 11 through 15, 2.25% for years 16 through 20 and 2.5% for all years in excess of 20 with a maximum benefit of 65%.

A public safety participant's normal retirement date is the earlier of (1) the participant's 60th birthday or (2) the later of (a) the date the participant completes 25 years of service or (b) the date the participant ceases employment. The annuity benefit payable to a retiring participant is the average of the highest three consecutive rates of annual earnings of the last 10 years before retirement for each year of credited service. Credited service is calculated at the rate of 2.5% for all years of service with a maximum benefit of 75%.

The plan provides a surviving spouse and death benefit for all eligible participants and a disability benefit for only public safety participants. Beginning January 1, 1992, the plan was changed from a voluntary post-tax plan to a mandatory pre-tax plan for all employees hired on or after July 1, 1991. The pension plan also provides annual cost of living adjustments to the annuity benefit at a rate of increase equal to the preceding year's increase in the Consumer Price Index. This cost of living adjustment may not exceed 4% per year. If the consumer price index decreases, the participant's benefit does not decrease and will be applied against subsequent year's consumer price index adjustments until the offset is fully recovered.

The Board of County Commissioners have established a special window provision for Public Safety members of the IAFF. The provision is effective July 1, 2026 – July 1, 2029, and allows eligible employees to retire early without an actuarial reduction. The County will take a maximum of eight employees over the course of the program. These employees must have at least 20 years of eligible service when they retire early.

For fiscal year 2026, the County's annual determined contribution for this plan is \$9,133,342 which represents 11.6% of the total general payroll. For fiscal year 2024 and fiscal year 2025, the County met 100% of the annual determined contribution. Mandatory employee contributions to the plan are 4% of earnings for non-public safety and 7% of earnings for public safety with an assumed investment rate of 7.05%.

The actuarial value of the pension fund established under this group annuity contract was \$326,163,106 as of July 1, 2024; at the same date the actuarial accrued liability was estimated to be \$344,212,087. The overall funded ratio for the plan is 105.9%.

Sheriff's Department Employees. The County also provides retirement benefits for employees of the Charles County Sheriff's Office through a defined benefit pension plan. Under the Sheriff's Office Retirement Plan, a participant is eligible if they are a Sworn Officer, Correctional Officer or Communications Dispatcher. The normal retirement date for a participant in the plan will be the earlier of (1) the participant's 60th birthday or (2) the later of: (a) the date the participant completes 25 years of service or (b) the date the participant ceases employment. Sworn Officers employed prior to July 1, 1986 are eligible to retire at age 60 or after 20 years of service. There is an early retirement provision for Sworn Officers whereby a participant may retire five years early but would incur a reduction in their annuity benefit. The annuity benefit payable to a retiring participant is the average of the highest three consecutive rates of annual earnings of the last five years before retirement for each year of credited service. For Sworn Officers' credited service is calculated at a rate of 3% for the first

20 years and 2% for any years in excess of 20 years with a maximum benefit of 80%. Correctional Officers' credited service is calculated at 2.25% for all years of service with a maximum benefit of 75%. Communications Dispatchers credited service is calculated at 2% for the first 10 years, 2.10% for years 11-15, 2.15% for years 16-25, and 2% for all years after 25 years of service with a maximum benefit of 80%. The plan also provides surviving spouse, death and disability benefits to all eligible participants.

The Board of County Commissioners have established a Deferred Retirement Option Plan (DROP) for sworn officers. An employee must continue to contribute 8% of pay to the pension plan; however, the participant's monthly benefit payment would be deposited into a "DROP" account for the employee. The employee is required to terminate employment within 5 years of the DROP participation date. The DROP account accrues interest at a rate of 7% per annum for those enrolled prior to July 1, 2017, and two percentage points below the assumed rate of return for those enrolled on or after July 1, 2017. At present, the DROP interest rate for new enrollees is 5.25%.

The Board of County Commissioners have established a Deferred Retirement Option Plan (DROP) for correctional officers and communications dispatchers. An employee must continue to contribute 7% of pay to the pension plan; however, the participant's monthly benefit payment would be deposited into a DROP account for the employee. The employee is required to terminate employment within three years of the DROP participation date. The DROP account accrues interest equal to the 10-year treasury yield as in effect on the June 30 preceding the effective date of the DROP participant's participation in DROP. At present, the DROP interest rate for new enrollees is 4.24%.

The pension plan provides annual cost of living adjustments in the annuity benefit, which are identical to those under the pension plan for the County's general employees.

For fiscal year 2026, the County's annual determined contribution for this plan is \$21,364,487, which represents approximately 40.2% of the total Sheriff's Department payroll. For fiscal year 2024 and fiscal year 2025, the County met 100% of the annual determined contribution. Mandatory employee contributions to the plan are 8% of earnings for sworn officers and 7% of earnings for correctional officers and communication dispatchers.

The actuarial value of the pension fund established under this group annuity contract was estimated to be \$413,367,572 as of July 1, 2024; at the same date the actuarial accrued liability was estimated to be \$530,044,259. The overall funded ratio for the plan is 78%.

As part of the employer pension cost for this plan, additional contributions were made by the County during the years beginning July 1, 1976 to the pension fund established under this pension plan to reduce the unfunded past service liability. The unfunded past service liability for this plan is estimated to be \$115,913,807 as of July 1, 2024.

Elected Officials. Section 27-16, Sub-section E of the Code of Public Local Laws of Charles County requires that the County annually appropriate a retirement salary to each person 65 years of age and older who no longer holds elective public office, but who held elective office in the County, as Commissioner, Judge of the Orphan's Court, or State's Attorney, for a combined total of four full terms. Each recipient is entitled to receive an annual amount, payable monthly, equal to the total of 5% of each of the highest annual salaries received by the person for each year such person held office, but not exceeding 80% of the highest annual salary the person received while holding elective office. A pension payable pursuant to this law is offset to the extent of any pension payable pursuant to the person's coverage by any other retirement plan of the County. At the present time, four individuals are receiving this benefit.

Volunteer Fire and Rescue Squads Personnel. The County is required by the Code of Public Local Law of Charles County to administer a Length of Service Award Program ("LOSAP") for volunteer fire, rescue squad, Mobile Intensive Care Unit ("MICU"), and dive team personnel. This obligation is being met through a custodial agreement with Truist and an investment advisory agreement with Sterling Capital Management LLC. Contributions are funded solely from \$0.010 per \$100 of market value on personal property and \$0.004 per \$100 of market value on real property allocated for such purpose from the special fire and rescue tax.

See “REVENUES OF THE COUNTY – Special Fire and Rescue Tax”. In April 2022, a LOSAP trust was established to protect the investments.

Any person 60 years or older who has completed 25 years or more of certified active volunteer service with any County volunteer fire, rescue squad, MICU, or dive team is entitled to receive benefits in the amount of \$250.00 per month for life plus an additional payment of \$10.00 per month for each full additional certified year of volunteer service. Seventy-five percent of a volunteer’s benefit accrues to his or her surviving spouse until death or remarriage of the spouse. A volunteer with 25 years of credited service can opt to begin receiving benefits at age 55 at 75% of the normal benefit value. This option, once exercised, cannot be rescinded. A volunteer who begins to receive their LOSAP benefits on or after July 2, 2018 must be at least sixteen (16) years of age to begin earning points or otherwise earn credit for service.

Other Post-Employment Benefits

The County provides its employees with other post-employment benefits (OPEB). Beginning in fiscal year 2009, the County has contributed annually an amount between the minimum amount and the annual determined contribution. The annual contribution in fiscal year 2024 was \$11,926,886; \$13,757,844 in fiscal year 2025; and appropriated \$16,596,300 in fiscal year 2026. The County’s actuary has determined, as of July 1, 2023, that the County’s unfunded OPEB actuarial liability related to active and retired County employees, excluding the Board of Education, is \$128,610,000 and the actuarially determined contribution is \$18,922,000. The County has adopted a 20-year funding plan that ramps up to meet the annual required contribution and is currently in year 15 of the plan. The County plans to increase the contribution by over \$1 million every year and makes additional contributions when funding is available. For fiscal year 2026, an additional \$750,000 will be contributed which represents savings in health and dental budgets in fiscal year 2025. In July 2025, the Commissioner’s revised their Retiree Health Insurance Policy to eliminate the Voluntary Employees Beneficiary Association (“VEBA”) plan to which the County and the employee made bi-weekly contributions for employees hired January 1, 2017, or later. All employees are now eligible to participate in retiree healthcare.

Charles County OPEB Contribution History

Fiscal Year	<u>Trust Contribution: Future Retirees</u>				<u>Contribution: PayGo for Current Retirees</u>	<u>Total: Trust and PayGo Contributions</u>
	<u>General Fund Adopted</u>	<u>General Fund Mid-Year Additional Contribution*</u>	<u>Self-Supporting Funds</u>	<u>Total Trust Contribution</u>		
FY2018	\$1,500,000	\$0	\$0	\$1,500,000	\$2,939,551	\$4,439,551
FY2019	1,750,000	0	221,000	1,971,000	3,548,040	5,519,040
FY2020	2,000,000	750,000	252,300	3,002,300	3,489,555	6,491,855
FY2021	3,000,000	0	284,000	3,284,000	3,814,991	7,098,991
FY2022	3,700,000	1,000,000	452,000	5,152,000	4,448,714	9,600,714
FY2023	4,700,000	675,000	684,000	6,059,000	4,698,970	10,757,970
FY2024	5,700,000	250,000	829,600	6,779,600	5,147,286	11,926,886
FY2025	6,700,000	500,000	962,600	8,162,600	5,595,244	13,757,844
FY2026 Appropriated**	9,000,000	750,000	1,265,300	11,015,300	6,331,000	17,346,300

*Amended during the fiscal year.

**Includes the planned additional contribution of \$750,000. Transfer to the trust projected to occur in January 2026.

Source: Charles County Department of Fiscal and Administrative Services.

Labor Relations

As of July 1, 2025, the County employed 1,612 full-time permanent employees and 59 part-time or temporary employees; including summer intern employees. The Uniformed Personnel of the Charles County Sheriff's Office is represented by the local chapter of the Fraternal Order of the Police ("FOP") as their bargaining unit for the negotiation of benefits. The County and Sheriff's Office also negotiates with the County Correctional Officers Association ("CCOA"). The emergency medical services employees of the Department of Emergency Services are represented by the International Association of Fire Fighters ("IAFF").

The County has not experienced any work stoppage and considers its present relationship with its employees to be excellent. The County, the Sheriff's Office, and the respective bargaining units have negotiated varying term agreements with the FOP, CCOA, and IAFF. Negotiations with the FOP are held yearly. The next negotiations with the CCOA will begin in fiscal year 2026 and IAFF negotiations will begin in fiscal year 2029. All the parties have the same benefit plans as non-union County employees.

Accounting and Financial Operations

Fund Accounting System. The County uses a "fund" accounting system. A "fund" is defined as an independent fiscal and accounting entity with a self-balancing set of accounts recording cash and/or other resources together with related liabilities, obligations, reserves and equities which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations.

Basis of Accounting. The financial operations of the General, Special Revenue, Trust and Agency, Debt Service and Capital Projects Funds of the County are maintained on a modified accrual basis of accounting. Revenues are recorded when received in cash, except for revenues considered to be both measurable and available to finance current year appropriations, which are recognized as revenue when earned. Revenues of a material amount that have not been received at the normal time of receipt if any, also are accrued. Expenditures are recorded at the time liabilities are incurred, except for interest on long-term debt which is considered an expenditure when due and accrued annual leave which is considered an expenditure when paid. The financial operations of the Enterprise Fund are maintained on a full accrual basis of accounting. Revenues are recorded when earned and expenditures are recorded at the time liabilities are incurred.

Encumbrance Accounting. Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of moneys are recorded in order to reserve a portion of an applicable appropriation, is employed as an extension of formal budgetary integration in all funds. Encumbrances outstanding at year-end are voided and re-encumbered against budget funds of the following fiscal year.

The General Fund Statement of Actual Revenues and Expenditures included in this Official Statement under the heading "REVENUES OF THE COUNTY – Historical Revenues and Expenditures" employs encumbrance accounting.

Budgeting

Annual Operating Budget. The Board annually adopts an operating budget for the County. Expenditure requests for the ensuing fiscal year from units of government are compiled by the Charles County Department of Fiscal and Administrative Services beginning in January of each year. The Director of Fiscal and Administrative Services simultaneously prepares revenue estimates and, following review and recommendations by the County Administrator of both revenue estimates and expenditure requests, the proposed budget is sent to the Board in March. Following a public hearing and public work sessions, a revised operating budget is developed by the County Commissioners and staff and is presented to the Board for adoption prior to July 1. The budget is monitored

on an on-going basis by the preparation of monthly income statements and year-end estimates by the Budget Division, which are reviewed by the Director of Fiscal and Administrative Services and the County Administrator prior to being presented to the Board.

Five-Year Capital Budget and Program. The Board annually adopts a five-year capital budget and program, following a public hearing. Included in each capital budget and program are both a single-year capital budget for the then current fiscal year, which reflects actual appropriations by the Board, and a capital improvements program for the subsequent four fiscal years which is considered a statement of intent by the Board but which may be altered in the future. The five-year capital budget and program provides the County with a means to project its long-range capital facilities requirements and related fiscal needs and goals.

Included in the capital budget and program are all capital projects intended to be financed in whole or in part by appropriations of the Board. In addition to general government capital projects, the County funds capital construction costs of the Board of Education, the College of Southern Maryland, the Water and Sewer Enterprise Fund, Watershed Protection and Restoration Fund, Environmental Service Fund, and the Solid Waste Enterprise Fund.

Current Budget Developments

General Fund Operating Budget. Operating revenues and other financing sources for fiscal year 2025 are expected to end the year at \$574.9 million which is more than the amended budget of \$580.7 million when excluding the \$43.2 million that was approved from fund balance to support the Commissioners' goals and objectives. Revenues were \$37.3 million more than expected mainly due to interest income, recordation, and transfer taxes exceeding expectations. The largest revenue source, property tax, is estimated to end the year at \$288,640,599. These revenues increased by \$20.8 million due to growth in the assessable base. Overall, property tax revenues are approximately 8% greater than fiscal year 2024. The second largest source of revenue, income tax, is estimated to end the year at \$201,194,322, which is 16% greater than the previous fiscal year. Estimated withholding payments compared to fiscal year 2023 increased by less than 1.0%. Operating expenditures are expected to finish with a year-end estimate of \$562.1 million or 3% greater than fiscal year 2024.

The General Fund adopted budget, for the fiscal year ending June 30, 2026, was approved on May 20, 2025, in the amount of \$595,081,500, an increase of 6.0% over the General Fund fiscal year 2025 adopted budget. The adopted budget included an increase of \$17,453,300 in real and business personal property tax receipts. The adopted budget for income tax revenues includes an increase of \$15,500,000. Appropriations from Fund Balance Reserves of \$21.9 million were approved for fiscal year 2026 to support Commissioner goals and objectives that are one time in nature, to help offset revenue losses from the Morgantown power plant deactivation, and the Other Post-Employment Benefits contribution per the County's strategic plan. The property tax rate (exclusive of the special fire and rescue district tax) remained at \$1.141 for Real Property and \$2.8525 for Business Personal Property per \$100 of assessed value. The local income tax rate for calendar year 2025 remains at 3.03% of an individual's Maryland taxable income. The Recordation Tax increased from \$5 per \$500 to \$7 per \$500; a \$2 increase. Funding from this increase, estimated to be \$4,300,000, will be used to support the Board of Education's budget request and to support affordable housing within the County.

The adopted expenditure budget for fiscal year 2026 increased by \$33,742,900. Public Education increased 4.9% and will receive \$11.2 million more than the previous fiscal year. The Board of Education continues to receive the majority of County funding with an appropriation of \$242,644,900 of the total \$595,081,500. Sheriff and Detention Center budgets receive the second largest allocation of County funding at \$138,974,247, which is \$8.4 million more than fiscal year 2025. Other highlights include funding to support the operating cost associated with Thorton Elementary School, a Digital Evidence Custodian position for the Sheriff's Office as well as the conversion of several positions from part-time/full-time reduced hour to full-time, funding for ten new emergency medical technicians to support ambulance services in the Waldorf area, funding to implement a new rental registry program, continued funding to further diversity, equity and inclusion in the

community and the workplace, and new positions for County Departments. The budget meets the County's debt obligations for the capital improvement program, and other expenditures to facilitate Commissioners' goals and objectives.

The fiscal year 2026 five-year approved capital budget program totaled over \$1.0 billion, of which approximately \$186.4 million is eligible to be funded from non-County sources (subject to the availability of funds). The County expects to fund the remaining \$837.7 million through future bond issues of approximately \$688.0 million and New School Capacity Construction Bonds of approximately \$91.0 million. The expected remaining \$58.7 million will be appropriated from "pay-as-you-go" capital funding. Of the total \$1.0 billion capital budget program, approximately \$256.0 million is allocated to public school construction and maintenance; \$469.0 million is allocated to water and sewer facility construction; \$19.7 million is allocated to stormwater management projects, \$85.9 million is allocated to transportation and road construction; \$46.5 million is allocated to the College of Southern Maryland; \$22.6 million is allocated to parks; \$9.7 million is allocated to landfill operations; \$826,000 is allocated to environmental services; and the balance of \$113.8 million is allocated to construction of and improvements to other general government facilities. See "CERTAIN DEBT INFORMATION – Future Plans to Incur Debt".

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REVENUES OF THE COUNTY

Major Sources of Revenue

The primary source of County revenue is generated by the annual tax levy on real and business personal property assessments. This tax revenue source is estimated to account for 50% of the total revenues recorded in fiscal year 2025, as indicated on the following schedule of General Fund Statement of Actual Operating Revenues and Expenditures. The second largest source of revenues comes from income taxes, representing approximately 35% of the estimated revenues for fiscal year 2025.

State of Maryland. In fiscal year 2025, the County received approximately \$37,108,203 from the State, of which \$5,126,049 was applied to public safety; \$24,143,938 was for capital projects; \$3,371,532 represented highway user tax revenue; \$1,330,438 represented cannabis revenue; \$693,616 allocated to Aging Programs; \$768,272 was for Judicial grants; \$968,960 for the Local Management Board; \$413,823 was designated for mass transit programs; and the remaining \$291,575 was applied to general operations and various other grant programs.

Federal Government. During fiscal year 2025, the County received approximately \$27,519,754 of Federal financial assistance. The County received \$4,353,690 under the American Rescue Act Plan Coronavirus State and Local Fiscal Recovery Funds (ARPA) to fund such programs as an Economic Development Business Training and Business Grant Program, a Non-profit Grant Program, infrastructure needs such as Stormwater projects, Surface Transportation, Road Overlay, Long Driveway Broadband projects, Community Health Outreach Workers, and for Public Health Behavioral Health Clinic Staff. The balance of federal financial assistance consists of \$13,436,485 designated for housing and community development; \$4,412,306 specified for mass transit programs; \$3,062,264 was assigned to public safety; \$1,095,098 allocated to aging programs; \$495,615 for judicial grants; \$63,622 for capital projects; \$447,937 was designated for Resilience Authority grants; and the remaining \$152,737 was available for miscellaneous programs and studies.

Historical Revenues and Expenditures

The following tables set forth the actual revenues and expenditures recorded in the General Fund and the Water and Sewer Enterprise Fund of the County on a budgetary basis for fiscal years 2021 through 2024 and an estimate for 2025.

The fiscal year 2024 General Fund operations ended with a net gain of \$3.4 million and fiscal year 2025 is estimated to end the year with a net gain of \$12.8 million.

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General Fund

Statement of Actual Operating Revenues and Expenditures

	<u>FY-2021</u>	<u>FY-2022</u>	<u>FY-2023</u>	<u>FY-2024</u>	<u>FY-2025 est.</u>
Operating Revenues					
Property Taxes.....	\$243,159,148	\$248,087,176	\$254,569,397	\$267,881,789	\$288,640,599
Income Taxes.....	159,808,519	171,197,766	165,720,600	173,607,605	201,194,322
Local Taxes ⁽¹⁾	33,186,452	56,120,780	30,118,028	31,219,221	30,316,390
Highway User Taxes.....	2,190,830	2,493,605	2,336,076	2,910,982	3,371,532
Licenses & Permits.....	1,078,733	1,074,019	1,134,041	1,224,876	1,272,395
Intergovernmental.....	16,081,160	2,315,430	3,471,319	2,743,978	4,303,750
Service Charges.....	8,561,322	9,755,639	10,735,154	12,686,826	16,048,362
Interest Income.....	465,906	626,477	13,576,296	23,485,403	21,895,097
Miscellaneous.....	5,443,381	9,510,992	8,315,497	7,439,636	7,121,304
Total Operating Revenues	\$469,975,451	\$501,181,885	\$489,976,408	\$523,200,315	\$574,163,751
Operating Expenditures					
General Government.....	\$27,396,983	\$33,950,653	\$42,320,627	\$42,791,019	\$45,912,481
Public Safety.....	112,584,203	123,732,459	124,421,042	145,516,050	158,654,092
Planning & Growth Management ⁽²⁾	3,217,754	3,360,622	3,992,210	4,238,211	4,779,345
Health & Social Services ⁽³⁾	18,746,101	5,001,312	6,425,526	5,856,174	5,972,967
Community Services ⁽⁴⁾	1,985,037	2,217,429	2,397,546	2,651,928	2,838,042
Recreation, Parks & Tourism.....	8,164,158	9,477,616	10,166,552	11,106,398	12,421,539
Public School Education.....	195,714,600	200,771,925	212,686,400	218,767,000	231,403,500
Comm. College & Other Education.....	9,925,200	10,379,300	10,725,720	11,282,200	11,835,400
Public Works ⁽⁵⁾	14,664,275	15,718,137	14,496,713	15,849,839	19,301,683
Library.....	4,400,168	4,584,000	5,231,018	5,406,174	5,708,358
Conservation of Natural Resources.....	706,528	680,759	762,694	885,371	837,879
Economic Development.....	1,607,850	2,182,307	2,153,761	2,329,702	2,100,695
Debt Service.....	31,117,976	31,769,545	33,941,885	32,332,354	32,210,173
Total Operating Expenditures	\$430,230,831	\$443,826,063	\$469,721,694	\$499,012,420	\$533,976,155
Excess of Operating Revenues Over (Under) Operating Expenditures.....	\$39,744,620	\$57,355,822	\$20,254,714	\$24,187,895	\$40,187,596
Other Financing Sources (Uses):					
Transfers-in ⁽⁶⁾	2,731,376	2,671,800	2,545,000	1,652,015	700,000
Premium on issuance of debt.....	1,196,131	0	0	0	0
Issuance of Debt.....	753,754	0	0	0	0
GASB 87 and GASB 96.....	0	0	5,983,174	2,745,265	0
Transfers out -					
Capital Project Fund.....	(3,105,580)	(5,079,378)	(29,288,690)	(17,765,600)	(20,055,000)
Special Revenue Funds ⁽⁷⁾	(5,071,318)	(5,174,893)	(5,290,986)	(7,283,860)	(7,847,679)
Enterprise Funds.....	(1,828,425)	(802,310)	(211,474)	(120,075)	(177,607)
Net Change in fund balance	\$34,420,556	\$48,971,041	(\$6,008,261)	\$3,415,640	\$12,807,310

(1) Includes recordation taxes, transfer taxes, admission taxes and hotel/motel taxes.

(2) Planning & Growth Management consists of Planning, Inspection & Enforcement, Infrastructure Management, Transit and Administration for these operations.

(3) Health & Social Services includes the COVID-19 pandemic impact for fiscal year 2021.

(4) Community Services consists of Aging & Senior Programs, Housing Authority, and Administration for these operations.

(5) Public Works consists of Building & Trades, Fleet and Inventory Management, Road Maintenance, and Administration for these operations.

(6) Includes transfers from the Capital Project Fund and Cable TV/I-Net Fund.

(7) County funding for grant local match.

Source: Audited financial statements of Charles County for fiscal years 2021-2024. Charles County Department of Fiscal & Administrative Services for 2025 estimate.

Water and Sewer Operations

The Water and Sewer Enterprise Fund ended fiscal year 2024 with an increase to the net change in assets of approximately \$24.0 million. An operating gain of \$10.6 million was realized in fiscal year 2024 and is estimated to be \$7.8 million in fiscal year 2025, before non-operating revenues, expenses, and the net change in contributed capital are included. The fiscal year 2026 operating budget was adopted at \$60.8 million; a 6.8% increase over the fiscal year 2025 adopted budget. Expenditures were adjusted to cover the debt service related to capital projects and anticipated capital outlay/maintenance project needs. In addition, the budget supports three new full-time positions and a part-time position.

Water and Sewer Enterprise Fund Statement of Actual Revenues and Expenses

	<u>FY-2021</u>	<u>FY-2022</u>	<u>FY-2023</u>	<u>FY-2024</u>	<u>FY-2025 est</u>
OPERATING REVENUES:					
Service Charges.....	\$36,899,611	\$38,948,604	\$41,916,333	\$47,751,347	\$50,371,054
Penalties.....	140,865	1,002,087	945,019	1,021,834	1,047,434
Other Fees.....	1,618,946	1,653,963	1,854,019	1,913,456	2,385,304
Total Operating Revenue	<u>\$38,659,422</u>	<u>\$41,604,654</u>	<u>\$44,715,372</u>	<u>\$50,686,638</u>	<u>\$53,803,792</u>
OPERATING EXPENSES:					
Operating & Maintenance.....	\$26,887,601	\$32,455,504	\$35,839,858	\$37,490,692	\$42,668,533
Interest on Long Term Debt ⁽¹⁾	1,898,287	1,727,318	2,163,662	2,592,864	3,298,082
Total Operating Expenses.....	<u>\$28,785,888</u>	<u>\$34,182,822</u>	<u>\$38,003,520</u>	<u>\$40,083,557</u>	<u>\$45,966,615</u>
Operating Income / (Loss)					
Before Depreciation Expense.....	\$9,873,534	\$7,421,832	\$6,711,852	\$10,603,081	\$7,837,177
NON-OPERATING REVENUES:					
Connection Fees.....	\$9,179,064	\$10,566,298	\$12,595,611	\$16,060,397	\$13,560,436
Interest Income/Miscellaneous.....	140,597	251,843	203,010	173,284	20,044
Front Foot Assessment.....	0	0	0	0	0
Total Non-Operating Revenue.....	<u>\$9,319,661</u>	<u>\$10,818,141</u>	<u>\$12,798,621</u>	<u>\$16,233,681</u>	<u>\$13,580,479</u>
NON-OPERATING EXPENSES:					
New Meter Expense.....	\$92,602	\$121,024	\$134,835	\$132,865	\$207,281
Interest on Long Term Debt ⁽²⁾	1,294,486	1,301,451	1,348,357	1,602,146	1,469,621
Total Non-Operating Expenses.....	<u>\$1,387,088</u>	<u>\$1,422,475</u>	<u>\$1,483,192</u>	<u>\$1,735,012</u>	<u>\$1,676,903</u>
Non-Operating Income / (Loss).....	\$7,932,573	\$9,395,667	\$11,315,429	\$14,498,669	\$11,903,576
Gross Income.....	\$17,806,107	\$16,817,499	\$18,027,280	\$25,101,750	\$19,740,753
Depreciation Expense.....	(10,935,339)	(11,938,690)	(9,646,177)	(10,587,543)	(10,984,784)
Net Income / (Loss).....	<u>\$6,870,768</u>	<u>\$4,878,809</u>	<u>\$8,381,104</u>	<u>\$14,514,207</u>	<u>\$8,755,969</u>
Net Change in Contributed Capital.....	2,143,989	8,792,555	7,010,535	9,483,532	15,244,498
Change in Net Assets.....	<u>\$9,014,757</u>	<u>\$13,671,364</u>	<u>\$15,391,639</u>	<u>\$23,997,739</u>	<u>\$24,000,467</u>
NET ASSETS-BEGINNING OF YEAR.....	\$175,570,915	\$184,585,672	\$198,257,036	\$213,648,675	\$237,646,414
NET ASSETS-END OF YEAR.....	<u>\$184,585,672</u>	<u>\$198,257,036</u>	<u>\$213,648,675</u>	<u>\$237,646,414</u>	<u>\$261,646,881</u>

(1) Includes interest on bonds issued for capital maintenance projects, supported with revenues collected from user fees.

(2) Includes interest on bonds issued for capital projects that provide additional capacity, supported with revenues collected from new customer connection fees and interest on bonds related to special assessments.

Source: Audited financial statements of Charles County for fiscal years 2021-2024. Charles County Department of Fiscal & Administrative Services for fiscal year 2025 estimate.

Special Fire and Rescue Tax

Since July 1, 1965, the Board has levied a special tax in each fiscal year on all taxable real and personal property in the County for the benefit of all fire and rescue companies. For fiscal year 2025, the annual levy is \$0.16 per 100 of assessed value for personal property and \$0.064 per 100 of assessed value for real property. Of the tax collected, 31.25% is applied for rescue squad and mobile intensive care unit purposes, 62.5% is applied for fire services and 6.25% is applied to fund the County's Length of Service Award Program ("LOSAP") obligation with respect to its volunteer fire and rescue squad's personnel. For fiscal year 2025, a total of \$15,940,614 was distributed to the 15 volunteer fire companies and 15 rescue squad and emergency medical service companies in the County as directed by the seven-member County Board of Fire and Rescue Commissioners, the membership of which is determined by County law. A contribution for the LOSAP of \$1,049,894 was made to the program's trustee.

Income Tax

The rate of local income taxation is set by the County, but collections are administered by the State. The local income tax is levied as a percentage of Maryland taxable income. Alternatively, the County must levy a local income tax at a rate equal to at least 1.00%, but not in excess of 3.30%. For calendar year 2026, the County's local income tax rate will remain at 3.03%. A distribution to the County of local income tax collections is made by the State in ten periodic payments.

Property Tax Information

The assessment of all real and tangible personal property for purposes of property taxation by the County is the sole responsibility of the State Department of Assessments and Taxation, an independent State agency. Real property is assessed at market value (full cash value). All property is physically inspected once every three years and any increase in full cash value arising from such inspection is phased in over the ensuing three taxable years in equal annual installments, although a decline in assessed valuation becomes fully effective in the first year. Non-computer business tangible personal property is assessed at cost, less 10% depreciation for each year held to a minimum of 25% of cost with no inflation allowance, and is determined from annual personal property reports filed with the State Department of Assessments and Taxation. Computer equipment is depreciated under the accelerated depreciation method.

Under current law, residents of owner-occupied residential real estate pay real property taxes semiannually on September 30 and December 31, without interest but with a service charge on the second installment, unless they elect to pay these taxes in one annual payment before September 30. The first installment is due July 1 and is in arrears on October 1. The second installment is due December 1, and is in arrears on January 1. Appropriate service charges will be applied to all semi-annual payment plans as provided by law, calculated based on a three-month delay in payment and the lost interest limited to 1.227% of the amount of the second installment.

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Property Tax Credit Programs

Section 9-105 of the Tax-Property Article of the Annotated Code of Maryland provides for a property tax credit against real property taxes on certain owner-occupied residential property. The tax credit is computed by multiplying the County's tax rate by the amount by which the current year's assessment exceeds 110% of the prior year's assessment (or such lesser percentage, but not less than 100%, as shall be established by the County). The County has adopted 107% as the rate to be used in calculating the tax credit for tax bills dated July 1, 2025. The purpose of the tax credit is to provide tax relief to homeowners whose property tax assessments increase by more than 7% per year.

The following tables set forth information regarding assessed values of property classes, assessments of the County's leading taxpayers, tax rates, tax levies and tax collections for the fiscal years indicated.

Charles County, Maryland Assessed and Estimated Market Value of All Property Classes Fiscal Years Ended June 30

Fiscal Year	Real Property		Business Personal Property	Railroads & Public Utilities	Ordinary Business Corporations	Total Assessed Value	Estimated Market Value*
	Full Year	Partial Yr.					
	2021.....	\$18,758,123,539					
2022.....	19,422,828,710	271,832,216	18,758,880	409,954,420	245,947,150	20,369,321,376	20,779,275,796
2023.....	20,608,328,265	231,204,980	15,774,970	427,948,850	250,401,030	21,533,658,095	21,961,606,945
2024.....	22,031,517,048	257,097,419	5,373,270	387,283,544	199,999,920	22,881,271,201	23,268,554,745
2025	24,020,560,824	287,918,532	6,203,610	363,456,940	218,795,740	24,896,935,646	25,260,392,586
2026**	25,402,904,271	255,000,000	6,203,610	363,456,940	218,795,740	26,246,360,561	26,609,817,501

* Estimated Total Market Value excludes Payment in Lieu of Tax (PILOT) agreements.

** Estimate at September 19, 2025 by the Charles County Department of Fiscal and Administrative Services.

Source: Maryland State Department of Assessments and Taxation.

Ten Leading Taxpayers (Fiscal Year 2025)

<u>Taxpayer</u>	<u>Property Tax Billed ⁽¹⁾</u>
Southern Maryland Electric Coop Inc.	\$5,019,462
CPV Maryland, LLC	2,288,109*
Dominion Cove Point LNG, LP	2,114,246
SCG Atlas Westchester LLC	1,474,498
Washington Gas Light Company	1,242,653
Verizon Maryland Inc.....	862,261
Potomac Electric Power Company.....	788,932
GenOn Mid Atlantic, LLC.....	693,750*
LH Waldorf, LLC.....	676,159
Madison Waldorf, LLC	671,831

Source: Maryland State Department of Assessments and Taxation.
 (1) State and Volunteer Fire & EMS taxes are excluded from property tax billed.
 * Represents Payment in Lieu of Tax (PILOT) agreements with these taxpayers.

**County-Wide Tax Rates and Levies by Purpose
 County-Wide Rates Per \$100 Assessed Value**

<u>Fiscal Year</u>	<u>Real Property</u>				<u>Public Utility Property, Railroad Personal, Corporate Personal, and Business Personal Property</u>			
	<u>General County (Including Education)</u>		<u>Fire and Rescue Tax State</u>		<u>General County (Including Education)</u>		<u>Fire and Rescue Tax State</u>	
	<u>Education</u>	<u>Rescue Tax</u>	<u>State</u>	<u>Total</u>	<u>Education</u>	<u>Tax</u>	<u>State</u>	<u>Total</u>
2022.....	\$1.141	\$0.064	\$0.112	\$1.317	\$2.8525	\$0.16	\$0.28	\$3.2925
2023.....	1.141	0.064	0.112	1.317	2.8525	0.16	0.28	3.2925
2024.....	1.141	0.064	0.112	1.317	2.8525	0.16	0.28	3.2925
2025.....	1.141	0.064	0.112	1.317	2.8525	0.16	0.28	3.2925
2026.....	1.141	0.064	0.112	1.317	2.8525	0.16	0.28	3.2925

<u>Fiscal Year</u>	<u>Tax Levies ⁽¹⁾</u>		
	<u>General County (Including Education)</u>	<u>Fire and Rescue Tax</u>	<u>State</u>
2021	\$233,302,983	\$13,086,232	\$22,213,529
2022	242,337,352	13,592,980	23,046,539
2023	256,205,207	14,370,844	24,403,685
2024	269,877,875	15,137,760	25,916,035
2025 ⁽²⁾	292,588,999	16,411,653	28,090,394
2026 ⁽²⁾	308,079,071	17,280,509	29,610,892

(1) Tax levies exclude additions and abatement, and Payment in Lieu of Tax (PILOT) agreements.
 (2) Estimated by Charles County Department of Fiscal and Administrative Services.
 Source: Audited financial statements of Charles County for fiscal year 2021-2024.

Tax Levies and Collections

General County Only (including Education) Fiscal Years Ended June 30

<u>Fiscal Year</u>	<u>Total Tax Levy</u>	<u>Current Year Taxes Collected During Year</u>	<u>Percent of Levy Collected During Year</u>	<u>Prior Year Taxes Collected During Year</u>	<u>Total Collected During Year</u>	<u>Accumulated Delinquent Taxes at June 30</u>
2021	\$233,302,983	\$232,176,212	99.52%	\$2,706,573**	\$234,882,785	\$5,450,639
2022	242,337,352	241,015,297	99.45	874,098	241,889,395	5,898,351
2023	256,205,207	254,910,418	99.49	1,107,458	256,017,876	6,096,810
2024	269,877,875	268,718,237	99.57	1,064,353	269,782,590	6,213,392
2025*	292,588,999	291,543,937	99.64	1,209,110	292,753,047	6,049,436

Source: Audited financial statements of the County for fiscal years 2021-2024.

* Estimated by the Charles County Department of Fiscal and Administrative Services.

**Due to the COVID-19 pandemic, the tax sale was delayed in fiscal year 2020; which caused a temporary increase in the Accumulated Delinquent Taxes at year-end. During the tax sale in fiscal year 2021, some of these delinquent taxes were collected.

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CERTAIN DEBT INFORMATION

General

As of June 30, 2024, the ratio of the County's net direct debt (\$208,378,387) to the assessed value of all property in the County (\$22,881,271,201) is 0.91%. The net direct debt per capita, based upon an estimated population of 171,973, is \$1,211.69.

Estimated for June 30, 2025, the ratio of the County's net direct debt (\$219,013,367) to the assessed value of all property in the County (\$24,896,935,646) will be 0.88%. The net direct debt per capita, based upon an estimated population of 174,478, will be \$1,255.25.

The County's long range financial planning assumes debt service does not exceed 8% of operating revenues. The County's rapid debt payoff will allow for significant new debt.

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**Statement of Direct and Underlying Debt
Estimate as of June 30, 2025
(Including the Bonds)**

Direct Debt Outstanding:	
Public School Construction	\$79,261,267
Fair Share Excise Tax Bonds (New School Construction).....	64,103,300
College Facilities	12,033,462
U.S. Home Corporation Taxable Bonds.....	3,528,980
Consolidated Public Improvements	116,937,310
Water and Sewerage(1).....	157,801,673
Water Quality Revolving Loans(1).....	825,043
Landfill Fund	958,406
Environmental Service Fund	113,909
Watershed Protection and Restoration Fund	37,091,691
Capital Asset Financed	<u>14,021,441</u>
Total Direct Debt	<u>\$486,676,483</u>
Consolidated Public Improvement Bonds of 2025 (Tax-Exempt).....	<u>68,825,000</u>
Total Direct Debt (Outstanding and the Bonds).....	<u>\$555,501,483</u>
Less Self-supporting Debt:	
Water and Sewer Debt(1)	\$198,330,396
Landfill Fund(2).....	1,049,421
Environmental Service Fund(2).....	161,234
Watershed Protection and Restoration Fund(2).....	37,495,927
Inspection & Review Fund(2).....	93,857
Fair Share Excise Tax Bonds(3)	71,103,300
U.S. Home Corporation Taxable Bonds(4)	<u>3,528,980</u>
Net Direct Debt (Outstanding and the Bonds).....	<u>\$243,738,368</u>
Underlying Debt Outstanding:	
Town of La Plata.....	\$1,867,274
Town of Indian Head.....	<u>533,322</u>
Total Underlying Debt Outstanding	<u>\$2,400,596</u>

- (1) Self-supporting water and sewerage debt of the County; self-supporting debt includes capital asset financing. See "CERTAIN DEBT INFORMATION – Water and Sewerage Debt".
- (2) Self-supporting Enterprise Fund debt of the County; includes capital asset financing.
- (3) Self-supporting Special Revenue Fund debt of the County. See "CERTAIN DEBT INFORMATION – Public School Construction Financing – Fair Share School Construction Excise Tax".
- (4) U.S. Home Corporation, a wholly owned subsidiary of Lennar Corporation, is responsible to the County for payment of the debt associated with this issue. U.S. Home Corporation's payment obligation is secured by a letter of credit issued to the County.

Source: Charles County Department of Fiscal and Administrative Services.

Debt Ratios

The tables below show trends for the County for fiscal years 2020 through 2024 in various debt and property value ratios, and an estimate for the fiscal year ending June 30, 2025.

<u>Fiscal Year</u>	<u>Population⁽¹⁾</u>	<u>Assessed Value⁽²⁾</u>	<u>Assessed Value per Capita</u>	<u>Net Direct Debt⁽³⁾</u>	<u>Net Direct Debt to Assessed Value</u>	<u>Net Direct Debt Per Capita</u>
2020.....	163,257	\$18,855,805,975	\$115,498	\$195,061,318	1.03%	\$1,194.81
2021.....	166,617	19,597,488,857	117,620	203,082,707	1.04	1,218.86
2022.....	168,698	20,369,321,376	120,744	216,141,024	1.06	1,281.23
2023.....	170,102	21,533,658,095	126,593	210,097,041	0.98	1,235.12
2024.....	171,973	22,881,271,201	133,052	208,378,387	0.91	1,211.69
2025*.....	174,478	24,896,935,646	142,694	219,013,367	0.88	1,255.25

(1) Source: Charles County Department of Planning and Growth Management and the U.S Census Bureau.

(2) Source: Maryland State Department of Assessments and Taxation.

(3) 2025 Estimate for Net Direct Debt does not include current bond issuance.

*Estimated by Charles County Department of Fiscal and Administrative Services.

General Fund Debt Service Expenditures As a Percentage of General Fund Revenues

<u>Fiscal Year</u>	<u>Total Operating Revenue</u>	<u>General Fund Debt Service</u>	<u>Percent of Revenue</u>
2021	\$469,975,451	\$30,914,376	6.58%
2022	501,181,885	31,589,345	6.30
2023	489,976,408	33,824,237	6.90
2024	523,200,315	32,186,423	6.15
2025*	574,163,751	32,036,615	5.58
2026*	573,224,700	32,805,700	5.72

Source: Audited financial statements for fiscal years 2021-2024.

*Estimated by Charles County Department of Fiscal and Administrative Services.

The following table shows the rapidity of all debt repayment by the County as of June 30, 2025.

<u>Years</u>	<u>Principal Amortized*</u>	<u>Percentage of Total Paid</u>
5	\$189,275,000	40.1%
10	326,225,000	69.1
15	396,950,000	84.1
20	428,975,000	90.9
25	458,620,000	97.2
30	471,830,000	100.0

*Does not include Bonds offered herein.

Bond Issues Outstanding

The following table sets forth certain information regarding County bonds outstanding for fiscal year 2025 excluding the Bonds.

**Bond Issues Outstanding ⁽¹⁾
Estimated As of June 30, 2025**

	Years of Maturity	Original Principal Amount	Principal Balance as of 6/30/25
Consolidated Public Improvement Bonds 2014	2014-2045	\$39,000,000	\$9,340,000
Consolidated Public Improvement Bonds 2015 (refunding).....	2015-2029	30,425,000	9,375,000
Consolidated Public Improvement Bonds 2015.....	2015-2046	34,700,000	2,410,000
Consolidated Public Improvement Bonds 2016.....	2016-2047	32,000,000	18,270,000
Consolidated Public Improvement Bonds 2017.....	2017-2048	56,000,000	31,840,000
Consolidated Public Improvement Bonds 2017 (refunding).....	2017-2044	46,175,000	17,445,000
Consolidated Public Improvement Bonds 2018.....	2018-2049	60,000,000	40,785,000
Consolidated Public Improvement Bonds 2019.....	2019-2050	58,000,000	45,185,000
Consolidated Public Improvement Bonds 2020.....	2020-2051	52,000,000	41,855,000
Consolidated Public Improvement Bonds 2020 (refunding).....	2020-2046	30,880,000	22,045,000
Consolidated Public Improvement Bonds 2021.....	2021-2052	70,000,000	61,515,000
Consolidated Public Improvement Bonds 2022.....	2022-2053	50,000,000	46,195,000
Consolidated Public Improvement Bonds 2023.....	2023-2054	55,000,000	52,570,000
Consolidated Public Improvement Bonds 2024.....	2024-2055	73,000,000	73,000,000
Total.....		<u>\$687,180,000</u>	<u>\$471,830,000</u>

(1) This table does not include the Maryland Water Quality Revolving Loans issued in 2004. The County is obligated to the Maryland Water Quality Financing Administration for debt issued to construct certain water and sewer projects. The estimated outstanding balance as of June 30, 2025 is \$825,043.

The following tables set forth the debt service payments due on the County’s general obligation bonded indebtedness outstanding estimated as of June 30, 2025, and those debt service payments, adjusted for the issuance of the Bonds.

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Schedule of Debt Service Requirements ⁽¹⁾ Estimate as of June 30, 2025

Fiscal Year	General Obligation Bonds		Self-Supporting Bonds ⁽²⁾		Enterprise Funds Revenue Bonds ⁽³⁾		Total Debt Service
	Principal	Interest	Principal	Interest	Principal	Interest	
2026	\$30,101,570	\$11,011,682	\$1,028,867	\$62,812	\$8,639,563	\$6,954,461	\$57,798,955
2027	30,842,379	9,619,827	1,045,519	41,968	9,047,101	6,542,260	57,139,055
2028	29,975,564	8,151,768	748,547	24,028	8,830,889	6,159,534	53,890,330
2029	27,203,712	6,973,861	422,075	12,322	9,149,213	5,792,654	49,553,836
2030	23,256,061	5,828,853	140,600	6,695	8,843,339	5,476,645	43,552,193
2031	22,377,029	4,838,450	143,372	3,855	8,844,599	5,109,754	41,317,058
2032	20,407,012	3,873,157	0	0	8,817,988	4,787,123	37,885,280
2033	19,225,800	3,042,376	0	0	8,414,200	4,453,849	35,136,226
2034	17,776,758	2,328,134	0	0	8,118,242	4,154,218	32,377,353
2035	15,050,784	1,735,852	0	0	7,774,216	3,878,167	28,439,018
2036	10,549,701	1,285,259	0	0	7,610,299	3,610,650	23,055,909
2037	9,103,008	929,735	0	0	7,326,992	3,344,815	20,704,551
2038	6,529,174	600,379	0	0	7,425,826	3,072,229	17,627,608
2039	5,232,064	321,043	0	0	7,047,936	2,808,041	15,409,084
2040	3,452,223	117,661	0	0	6,447,777	2,573,409	12,591,070
2041	501,000	31,494	0	0	5,824,000	2,375,060	8,731,554
2042	317,500	20,040	0	0	6,017,500	2,193,413	8,548,453
2043	193,500	11,496	0	0	6,216,500	2,003,712	8,425,208
2044	45,000	7,085	0	0	6,425,000	1,802,801	8,279,886
2045	46,500	5,598	0	0	6,438,500	1,594,946	8,085,544
2046	48,000	4,063	0	0	6,237,000	1,387,773	7,676,836
2047	49,500	2,478	0	0	6,265,500	1,179,872	7,497,350
2048	51,500	837	0	0	6,078,500	972,979	7,103,816
2049	0	0	0	0	5,800,000	771,888	6,571,888
2050	0	0	0	0	5,115,000	587,803	5,702,803
2051	0	0	0	0	4,290,000	428,372	4,718,372
2052	0	0	0	0	3,850,000	283,425	4,133,425
2053	0	0	0	0	2,700,000	154,944	2,854,944
2054	0	0	0	0	1,610,000	63,700	1,673,700
2055	0	0	0	0	760,000	15,200	775,200
	<u>\$272,335,340</u>	<u>\$60,741,129</u>	<u>\$3,528,980</u>	<u>\$151,680</u>	<u>\$195,965,680</u>	<u>\$84,533,695</u>	<u>\$617,256,504</u>

(1) This table does not include the County's obligation to the Maryland Water Quality Financing Administration for debt issued to construct certain water and sewer projects. The estimated outstanding balance as of June 30, 2025 is \$825,043.

(2) Bonds issued by the County for U.S. Home Corporation are secured by Bond Repayment Agreements, Letters of Credit, and by the full faith and credit of the County's General Fund.

(3) Self-supporting debt incurred by the Water & Sewer, Solid Waste Management, Watershed Protection and Restoration, and Environmental Services Funds. Supported by user fees, service charges, and by the full faith and credit of the County's General Fund.

Source: Charles County Department of Fiscal and Administrative Services.

**Schedule of Debt Service Requirements as
Adjusted for the Issuance of the Bonds**

Fiscal Years Ended June 30	Total Debt Service (1)	Consolidated Public Improvement Bonds of 2025		Adjusted Total Debt Service (1)
		Principal	Interest (2)	
2026	\$57,798,955	\$0	\$1,067,490	\$58,866,445
2027	57,139,055	2,720,000	3,188,750	63,047,805
2028	53,890,330	2,860,000	3,049,250	59,799,580
2029	49,553,836	3,005,000	2,902,625	55,461,461
2030	43,552,193	3,160,000	2,748,500	49,460,693
2031	41,317,058	3,320,000	2,586,500	47,223,558
2032	37,885,280	3,490,000	2,416,250	43,791,530
2033	35,136,226	3,675,000	2,237,125	41,048,351
2034	32,377,353	3,855,000	2,048,875	38,281,228
2035	28,439,018	4,060,000	1,851,000	34,350,018
2036	23,055,909	4,265,000	1,642,875	28,963,784
2037	20,704,551	3,670,000	1,444,500	25,819,051
2038	17,627,608	3,855,000	1,256,375	22,738,983
2039	15,409,084	4,055,000	1,058,625	20,522,709
2040	12,591,070	4,265,000	850,625	17,706,695
2041	8,731,554	4,450,000	660,563	13,842,117
2042	8,548,453	695,000	564,094	9,807,547
2043	8,425,208	725,000	537,469	9,687,677
2044	8,279,886	755,000	508,303	9,543,189
2045	8,085,544	785,000	476,541	9,347,085
2046	7,676,836	820,000	443,438	8,940,274
2047	7,497,350	855,000	408,891	8,761,241
2048	7,103,816	890,000	372,900	8,366,716
2049	6,571,888	925,000	335,466	7,832,354
2050	5,702,803	965,000	296,484	6,964,287
2051	4,718,372	1,005,000	255,853	5,979,225
2052	4,133,425	1,050,000	213,469	5,396,894
2053	2,854,944	1,090,000	169,331	4,114,275
2054	1,673,700	1,140,000	123,338	2,937,038
2055	775,200	1,185,000	75,384	2,035,584
2056	0	1,235,000	25,472	1,260,472
Total	<u>\$617,256,505</u>	<u>\$68,825,000</u>	<u>\$35,816,359</u>	<u>\$721,897,864</u>

(1) Totals may not add due to rounding.

(2) Interest rates range from 3.750% to 5.000%.

Public School Construction Financing

State Assumption of Certain Costs. Legislation enacted by the Maryland General Assembly in 1971 provides for the assumption by the State, under certain conditions, of the costs of public school construction projects and public school capital improvements on a State-wide basis. Generally, this law provides that the State will pay “the costs in excess of available Federal funds of all public school construction projects and public school capital improvements” in the counties and Baltimore City which have been approved by the State and empowers the State to define by regulation what constitutes an approved construction or capital improvement cost. The local jurisdiction must provide the school sites and pay architectural and engineering fees and certain equipment and development fees. In 1988, the program regulations were amended to limit the amount of construction costs paid by the State. The amendment institutes a maximum State project allocation for each school construction project funded through the program. Under the new formula, the State’s share is computed by applying the applicable percentage to the eligible portion of school construction costs. For Charles County, this maximum State share will equal 64% of approved construction costs beginning in fiscal year 2026.

Fair Share School Construction Excise Tax. Section 20-804 of the Local Government Article of the Maryland Annotated Code authorizes the County to levy and collect a fair share school construction excise tax on new residential construction in the County. Beginning in fiscal year 2016 and for every fourth fiscal year thereafter, the County Commissioners may alter the base tax rates for each dwelling type to reflect the number of students generated by each dwelling type and the cost of school construction. For each fiscal year after fiscal year 2016 in which the base tax rates are not adjusted, the tax rate may be adjusted by the same percent change in the average statewide per-square-foot school building cost as calculated by the State’s Interagency Committee on School Construction. The fair share school construction excise tax will be collected annually over a period of 10 years at level amortized payments of principal and interest and may be prepaid at any time. The rate of interest payable by a property owner will be the rate of interest paid by the County on the new school capacity construction bonds issued in the first year the tax is levied on that property owner. For fiscal year 2026, the fair share school construction excise tax was levied in a maximum amount of \$21,972 for a single-family detached home, \$22,021 for a town house and \$19,417 for a multifamily housing unit. The proceeds of the fair share school construction excise tax may only be used to pay principal of and interest on the new school capacity construction bonds. In addition, Section 19-616 of the Local Government Article of the Annotated Code of Maryland authorizes the County to issue new school capacity construction bonds, as needed, to fund the costs incurred by the County to construct new capacity for public school facilities in the County. These bonds are payable first from the fair share school construction excise tax and second from general County taxes and are secured by the County’s full faith and credit and unlimited taxing power. As of July 1, 2025, the County’s outstanding excise tax debt is \$64,103,300 and is due to receive \$78,593,063 over the next ten years from the fair share school construction taxes. The new school capacity construction bonds have a maturity of 10 years and may be issued without limitation as to principal amount.

Water and Sewerage Debt

By State law enacted in 1976, the Charles County Sanitary District, Inc. (the “District”), a quasi-public corporation, was abolished and all then-existing obligations of the District were assumed by the County. The water and sewer systems formerly operated by the District are operated now by the County Department of Public Works. The operation and maintenance of these systems, and the financing thereof, are conducted on an enterprise basis.

At the time of the County’s assumption of indebtedness previously incurred by the District, three subordinate sanitary districts (together encompassing the entire land area of the County except that included in the Town of La Plata and the Town of Indian Head) were replaced by three special taxing districts. In Waldorf Special Taxing District Number One, encompassing an area of approximately 21 square miles and located in the north central part of the County, both water and sewer services are provided. At present, limited water and sewer services are provided by the County at the eastern edge of the Mattawoman Special Taxing District. This district encompasses approximately 74 square miles in the northwestern portion of the County adjacent to and directly west of Waldorf Special Taxing District Number One. The remainder of the County (except the Towns of La Plata and Indian Head), with an area of about 355 square miles, is designated as Special Taxing District Number Three.

The County is authorized to issue general obligation bonds to finance water systems, sewerage systems, solid waste disposal systems and solid waste acceptance systems, provided that the principal amount of the outstanding bonds relating to such improvements in any special taxing district not exceed 10% of the total value of the property assessed for County taxation purposes within that special taxing district. The three special taxing districts are authorized to levy charges, assessments and taxes to pay the debt service on bonds previously issued by the respective districts and bonds issued by the County after their creation in 1976. The County expects to pay debt service on its water and sewerage debt from special assessments, connection charges, and charges for the upkeep of sewer and sewer service charges pertaining to the respective systems for which the indebtedness was incurred. If required at any time to pay debt service on water and sewerage debt incurred to finance water and sewer facilities in a particular special taxing district, the County is authorized to levy a tax on the assessable property in the special taxing district. If for any reason any such levy should prove inadequate, the County is authorized to levy a tax on the assessable property throughout the County in order to raise the required funds to pay such debt service.

For the levy year commencing July 1, 2025, the respective estimated market value of properties assessed in the three special taxing districts are as follows: Waldorf Special Taxing District Number One – \$10,804,762,180; Mattawoman Special Taxing District Number Two – \$6,386,067,253; and Special Taxing District Number Three – \$9,264,143,527. As of June 30, 2025, the aggregate principal amount of outstanding County water and sewerage debt was \$161,710,291, which was issued to finance water and sewer facilities in all three special taxing districts referred to above.

Debt Limitations

The County may issue general obligation and revenue bonds under existing authority conferred by the Maryland General Assembly. As a Code Home Rule county, the County has also enacted public local laws authorizing the issuance of general obligation bonds. After the issuance of the Bonds, the County will have \$360,484,221 of authority remaining under this existing authority for future issues generally designated as follows:

Public Facilities.....	\$352,246,221
Detention Center Facilities	3,180,000
Landfill Facilities	<u>5,058,000</u>
Total	<u>\$360,484,221</u>

As a Code Home Rule county, the County may authorize the issuance of general obligation and revenue bonds by a public local law enacted by the County Commissioners. There are no statutory limits on the amount of general obligation or revenue bonds that may be authorized by the County Commissioners. The County may refund any of its outstanding general obligation or revenue bonds under the authority of Section 19-207 of the Local Government Article of the Annotated Code of Maryland. No referendum is required.

The County may issue economic development revenue bonds under State law which provides that such bonds shall not constitute an indebtedness or charge against the general credit or taxing power of the County. In addition, the County may participate in State loans for school and highway construction, secured solely by the County’s portion of certain State-shared revenues.

The County is authorized to issue bonds for water and sewer and solid waste management projects in an amount not to exceed 10% of the total value of property assessed for County tax purposes within the Special Taxing District in which such project is located, as described under “CERTAIN DEBT INFORMATION – Water and Sewerage Debt”.

Leases and Other Contracts

The County currently leases certain facilities and equipment, as indicated in the following table, for terms of five years or less.

Leased Facilities and Equipment estimated as of June 30, 2025

<u>Facilities</u>	<u>Annual Lease</u>
Election Board.....	\$231,183
Emergency Services.....	223,139
Police Substation.....	69,375
Economic Development.....	69,980
Planning & Growth Management.....	16,995
<u>Operating Lease Equipment</u>	
Photocopy Equipment.....	\$102,917
Mail Processing Equipment.....	22,700
<u>Capital Asset Financed Equipment</u>	
FY 21 General Fund - Energy Conversation Upgrades	\$461,965
FY 21 General Fund - Vehicle & Other Equipment.....	232,497
FY 21 Water & Sewer - Vehicle & Other Equipment.....	249,852
FY 21 Solid Waste Fund - Equipment.....	19,553
FY 21 Environmental Service Fund - Equipment.....	25,571
FY 22 General Fund - Vehicle & Other Equipment.....	460,861
FY 22 Water & Sewer - Vehicle & Other Equipment.....	67,416
FY 22 Solid Waste Fund - Equipment.....	61,106
FY 22 Watershed Protection & Restoration Fund - Vehicle & Equip.	86,824
FY 23 General Fund - Vehicle & Other Equipment.....	283,666
FY 23 Water & Sewer - Vehicle & Other Equipment.....	106,485
FY 23 Inspection & Review Fund - Vehicles.....	10,998
FY 23 Environmental Service Fund - Vehicle.....	4,949
FY 24 General Fund - Vehicle & Other Equipment.....	510,821
FY 24 Water & Sewer - Vehicle & Other Equipment.....	391,259
FY 24 Inspection & Review Fund - Vehicles.....	25,954
FY 25 General Fund Vehicles & Other Equipment.....	948,776
FY 25 Water & Sewer Fund - Vehicles & Other Equipment.....	269,573
FY 25 Watershed Protection & Restoration Fund - Vehicle & Equip.	51,931
FY 26 General Fund Vehicles & Other Equipment.....	488,087
FY 26 Water & Sewer Fund - Vehicles & Other Equipment.....	107,724
FY 26 Inspection Fund - Vehicles & Other Equipment.....	7,179
Total Annual Payments.....	\$5,609,336

Source: Charles County Department of Fiscal and Administrative Services.

Future Plans to Incur Debt

The County intends to issue approximately \$779.0 million in bonds to fund its Five-Year Capital Improvement Program through fiscal year 2030. Various bonding authority will be used to issue the total debt required. The schedule below provides additional detail as to the specific funding sources and uses planned over the next five years.

<u>Project Category</u>	<u>Fiscal Year</u>					<u>TOTAL</u>
	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>	
	<u>(Amounts in 000's)</u>					
Board of Education.....	\$35,678	\$17,557	\$81,992	\$78,242	\$42,514	\$255,983
College of Southern Maryland.....	0	5,495	4,524	21,445	15,012	46,476
General Government.....	49,029	39,474	12,478	5,580	7,221	113,782
Parks.....	5,779	9,088	744	3106	3,924	22,641
Transportation.....	16,195	19,374	15,752	18,479	16,133	85,933
Water	10,318	59,668	62,237	35,927	28,198	196,348
Sewer	20,808	47,839	60,396	55,521	88,069	272,633
Landfill.....	406	9,311	0	0	0	9,717
Watershed Protection & Restoration	3,862	3,612	3,131	4,206	4,931	19,742
Environmental Service.....	826	0	0	0	0	826
Total	<u>\$142,901</u>	<u>\$211,418</u>	<u>\$241,254</u>	<u>\$222,506</u>	<u>\$206,002</u>	<u>\$1,024,081</u>

<u>Source of Funding</u>	<u>Fiscal Year</u>					<u>TOTAL</u>
	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>	
	<u>(Amounts in 000's)</u>					
General Obligation ("G.O.") Bonds....	\$57,442	\$65,664	\$26,051	\$36,158	\$34,579	\$219,894
Other G.O. Bonds*.....	4,611	3,535	3,054	4,129	4,854	20,183
Solid Waste Bonds.....	0	0	0	0	0	0
Fair Share Excise Tax Bonds.....	12,421	4,763	29,212	29,134	15,448	90,978
Water & Sewer Bonds.....	28,140	104,770	118,899	88,213	107,896	447,917
Future Plans to Incur Debt	<u>\$102,614</u>	<u>\$178,732</u>	<u>\$177,216</u>	<u>\$157,634</u>	<u>\$162,777</u>	<u>\$778,973</u>
County Pay-as-you-go.....	22,466	20,437	9,247	3,788	2,789	58,727
Other Local	3,031	2,679	3,776	3,276	8,411	21,173
State.....	14,790	8,671	51,016	57,808	32,024	164,308
Federal.....	0	900	0	0	0	900
Total Funding	<u>\$142,901</u>	<u>\$211,418</u>	<u>\$241,254</u>	<u>\$222,506</u>	<u>\$206,002</u>	<u>\$1,024,081</u>

* G.O. Bonds with specific revenue sources to pay debt service.
Source: Charles County Department of Fiscal and Administrative Services.

For years, the County has utilized a multitude of plans for “pay-as-you-go” financing. For example, the County has structured the landfill tipping fee to allow for annual contributions to a sinking fund reserve for future landfill construction. The County has also financed the construction of various capital projects with appropriations from the General Fund. By doing so, the County has reduced the aggregate amount of general obligation indebtedness issued that would otherwise bear interest to finance the construction of the capital projects. The following table sets forth the County’s pay-as-you-go and actual bond funding for fiscal years 2020 through 2024 and an estimate for the fiscal years ending June 30, 2025 and 2026.

Pay-As-You-Go Sources

Fiscal Year	General Fund	Landfill Reserve	Other	Total	Bonds Issued*
2026 est..	\$9,468,900	\$8,305,000	\$306,100	\$18,080,000	\$69,240,000
2025 est...	20,055,000	7,648,100	299,800	28,002,900	73,000,000
2024.....	17,765,600	1,392,205	143,883	19,301,688	55,000,000
2023.....	29,288,690	3,649,211	117,194	33,055,095	50,000,000
2022.....	5,079,378	8,521,834	231,920	13,833,132	70,000,000
2021	3,105,580	257,092	670,300	4,032,972	52,000,000
2020.....	4,350,400	151,477	478,796	4,980,673	58,000,000
Total....	\$89,113,548	\$29,924,919	\$2,247,993	\$121,286,460	\$433,000,000

*Does not include bonds for which the Charles County Nursing Home, Inc., University of Maryland Charles Regional Medical Center, and U.S. Home Corporation, are obligated to repay debt service to the County.

Tax Increment Bonds

On March 25, 2008, the Board approved the creation of the Swan Point Economic Development District (the “TIF District”), a tax increment district, and the Swan Point Special Taxing District (the “Special Taxing District”), a special taxing district, and approved the issuance of up to \$38,000,000 of bonds to finance public infrastructure improvements in the TIF District. If issued, the bonds would not be general obligations of the County, but would be payable solely from the incremental real property taxes, if any, collected from property owners in the TIF District and, if necessary, special taxes levied on the commercial properties located in the Special Taxing District. The incremental real property taxes must be used first to pay debt service on the bonds and related expenses before such funds can be used for other County purposes. No bonds secured by the incremental real property taxes collected from property within the TIF District or by special taxes levied on property within the Special Taxing District have been issued, and no closing date on any such bonds has been scheduled.

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ECONOMY OF THE COUNTY

Overview¹

Charles County, a suburb of Washington, D.C., is part of the Washington, D.C. Metropolitan Statistical Area (MSA). Charles County is also part of a region known as Southern Maryland, a three-county peninsula between the Potomac River and the Chesapeake Bay. The County has the 4th highest median household income in the State of Maryland and the 44th highest median household income in America. With a 2024 population estimate of 174,478, Charles County has been one of the fastest growing counties in Maryland. The U.S. Census Bureau, 2023 Population Estimates states Charles County has a majority African American population at 51.9% making Charles County the nation's wealthiest majority African American county.

Location

Charles County rests in the center of the Washington, D.C./Baltimore/Richmond metropolitan region, located 30 minutes from Ronald Reagan National Airport and 40 minutes from the nation's Capital, the White House, and major federal government offices. The County's northern urbanized areas are within 60 minutes driving time of Baltimore and Annapolis and have easy access to the Washington Capital Beltway (I-495), just 15 minutes north of the County line. The southern end of the County is bordered by the Potomac River directly across from King George County, Virginia and 75 miles from Richmond, Virginia, connected by the Governor Harry W. Nice Memorial/Senator Thomas "Mac" Middleton Bridge. Bordered on three sides by water, Charles County has approximately 300 miles of shoreline.

Population¹

The trend for population diversity in the County continues; 37.2% of the residents are white alone; 54.2% are black or African American alone; 3.5% are Asian; 0.8% American Indians and Alaska Native; 2.6% other; and 4.1% are two or more races. The Hispanic/Latino population (of any race) is 8.2%. The County by gender is 51.9% female and 48.1% male. (Source: U.S. Census July Population Updates 2024).

The unincorporated community, Waldorf, has a population of 82,541, which includes the planned community of St. Charles. It is also the County's central business district with the highest concentration of retail businesses, financial institutions and professional services. (Source: U.S. Census Bureau, 2019-2023 5-year Estimates)

Charles County has three incorporated municipalities:

- The Town of La Plata is the largest of these, with a population of 16,322 and extensive new commercial, office and residential development.
- The Town of Indian Head on the western side of the County adjoins the United States Navy military installation, Naval Support Facility Indian Head, which is today a Department of Defense ("DoD") military research and development base employing 4,272 people, including the Navy's highest concentration of energetics scientists and researchers. The town has a population of 4,247.
- Port Tobacco served as the first County seat and was a major port during colonial days. Today, the community includes a small number of historical buildings and homes and has a population less than 100.

Source: U.S. Census Bureau, American Community Survey, 2019-2023 5-year Population Estimates.

¹ US Census Population Estimates are more current than the US Census American Community Survey data. Both sources are cited in this document; discrepancies are due to different methodology and years.

Zoning

The Waldorf/St. Charles area is a designated development district zoned for concentrated urban and suburban growth. Outside of this district, zoning regulations and other land use policies encourage the preservation of open space with low density development, agricultural lands, outdoor recreation areas, and conservation regions.

Housing

The County has a total of 63,053 housing units and a vacancy rate of 4.5%. The median home value is 402,300 with 81.2% of these being owner-occupied. Charles County has a total of 60,199 occupied household units with an average household size of 2.85 people. (Source: U.S. Census Bureau, 2019-2023 American Community Survey 5-Year Estimates).

Labor Force

The County has a civilian labor force (16 years and older) of 90,686 with another 1,842 residents in the Armed Forces. The civilian workforce in Charles County continues to reflect the large number of educated working professionals that are moving into the County. The County median household income is \$120,592. The annual average unemployment rate for 2024 was 3.1% according to the Maryland Department of Labor. According to recent Census data, major industries in which the civilian employed population are engaged include:

- Public administration (20.4%)
- Educational services, health care and social assistance (19.1%)
- Professional scientific, management, waste management services and technical services (14.6%)

The foregoing constitutes 54.1% of the industries with the greatest employments.

The top occupation groups for County residents (civilian employed population 16 years and over by number employed) are as follows:

- Management, business, science, and arts occupations (45.3%)
- Sales and office occupations (20.2%)
- Service occupations (16.1%)
- Production, transportation, and material moving occupations (9.6%)
- Natural resources, construction, and maintenance occupations (8.9%)

Source: U.S. Census Bureau; American Community Survey, 2019-2023 5-Year Estimates.

Businesses

For calendar year 2024, the County had an average of 3,277 employers in the Maryland Department of Labor database with an annual average employment of 42,790 and a weekly wage of 1,184. There were 3,142 private-sector employers reported in the Maryland Department of Labor annual average and 135 government employers. These numbers do not include self-employed proprietors or other businesses and workers that are exempt from paying unemployment insurance. According to The Census Bureau's Non-employer statistics and County Business Patterns reports, there are more than 15,710 firms conducting business in the County. (Source: Maryland Department of Labor, *Quarterly Census of Employment and Wages, 2024*; U.S. Census Bureau, *2023 Non-employer Statistics*).

Commercial Growth

The County has experienced growth as the private sector continues to gain confidence in the commercial market. In calendar year 2024, according to CoStar database, a reported over 1.3 million square feet of commercial property was sold in Charles County, yielding over \$164 million in sales volume. The average sale price was \$2.27 million at an average of \$99.72 per square foot. As of the second quarter of 2025, the County’s commercial property inventory was 16.45 million square feet.

A recent Economic Development analysis revealed that Charles County continues to maintain lower vacancy rates than the rest of the Washington D.C. Metro region. Commercial vacancy rates in the second quarter of 2025 for Charles County were 5.4% compared to 10.4% for the D.C. Metro region. Office vacancy rates for Charles County were 5.2% while the D.C. Metro region rates were 15.6% (Source: CoStar Group, 2025).

Educational Attainment

Of the population 25 years and older, 30.0% are high school graduates, 23.6% have some college or an associate degree, 17.8% have bachelor’s degrees, and 13.9% have graduate degrees. The current percentage of Charles County residents with bachelor’s degrees or higher is 31.6% which has continued to steadily increase from just 20% in Census 2000. An estimated 90% of all eligible Charles County students attained a high school diploma in 2024, which is approximately three percentage points higher than the Maryland averages. (Source: U.S. Census Bureau; 2019-2023 American Community Survey 5-Year Estimates and Charles County Public Schools).

Commercial Industrial Base

The next chart illustrates the increasing importance of the commercial/industrial sector as a core component of the total tax base. Between 2021 and 2025, the commercial/industrial total property tax base has grown by 12%.

**Total Property Tax Base (in Thousands)
For Charles County (2021-2025)**

<u>Land Use</u>	<u>July 01, 2021</u>	<u>%</u>	<u>July 01, 2025</u>	<u>%</u>
Residential.....	\$16,539,322	83%	\$22,404,066	86%
Commercial/Industrial.....	2,810,276	14%	3,145,084	12%
Agricultural.....	469,059	2%	608,741	2%
Total.....	\$19,818,657	100%	\$26,157,891	100%

Note: Percent totals may not add due to rounding.

The increase of the commercial/industrial base is important because the County’s cost of providing services to commercial/industrial development is considerably lower than residential development. The County continues to emerge as an active market for private investments. In fiscal year 2025, permits were issued for 519,290 square feet of new commercial construction, 303,069 square feet of commercial alterations, and 25,193 square feet of commercial additions. Estimated construction costs for commercial construction were \$460,805,400 for new construction, \$14,524,561 for commercial alterations, and \$1,013,000 for commercial additions.

Economic Development

The following is a description of the major commercial and industrial projects underway in the County.

HWY 301 CORRIDOR

The community of Waldorf includes nearly 10 million square feet of commercial space. This portion of the County is the primary designated growth area in the County's Comprehensive Plan. Waldorf, at the very northern border of the County, is easily accessible to the Washington, D.C. region via U.S. Route 301 and Maryland Route 5 which connect the County with the Capital Beltway, Washington, D.C., and the northern and eastern suburbs. Maryland Route 228 runs east/west through Charles County connecting U.S. Route 301 in Waldorf to Maryland Route 210 in the west and providing the commercial core with another major arterial access to the Capital Beltway. Several business parks and mixed-use projects are currently in development in Waldorf.

Berry Pointe

Development is underway on the Berry Pointe Business Park in Waldorf, with two buildings under construction. The project is being developed by St. Johns Properties, a national developer based in Maryland with several similar and successful projects throughout the country. At full build out, Berry Pointe is slated to comprise 518,400 square feet of flex/R&D space, 93,000 square feet of office, and 22,500 square feet of supporting retail. The development is projected to support over 2,100 jobs at full build-out and occupancy. In May of 2025, the Chesapeake Potomac Regional Cancer Center became Berry Pointe's inaugural tenant.

Waldorf Station

Waldorf Station is a proposed 145-acre mixed-use project in Waldorf, Maryland at the intersection of U.S. Route 301 and Maryland Route 5 (the primary gateway into the County). Construction on the mixed-use project is currently underway. The developer, Greenberg Gibbons, is planning residential elements, including townhouses, conventional apartments and assisted living. Non-residential components include retail, hospitality, entertainment and office space. Phase 1 of the project is primarily residential and it is slated for a ribbon cutting in fall of 2025. This phase of the project is on the east side of U.S. Highway 301 and will also include a mix of townhouses and neighborhood serving retail. Phase 2 which consists of both retail and residential has begun land development. It is located on the west side of US Highway 301.

Concurrent with the construction of Waldorf Station will be the completion of the Western Parkway, which will link the St. Charles Towne Center in south Waldorf to U.S. 301 at Waldorf Station. The first two phases of construction are complete, and the final phase of Western Parkway is underway. To further support this development a number of road projects including improvements along Rt. 5 to the intersection at Mattawoman Beantown Road, intersection at Pinefield Road, and the intersection at Substation Road are also planned.

Maryland Airport

The Maryland Airport was purchased in early 2019 by PSM Holdings, with the expressed intentions of completing significant improvements to the airport's infrastructure. Home to over 105 aircraft, the Maryland airport generates over 20,000 annual operations which has resulted in the direct impact of 70 jobs in 2023. According to the Maryland Department of Transportation impact survey, almost \$2 million of business revenue and \$4 million of local purchases were generated by Maryland airport in 2023. (*Source: MDOT: The Economic Impact of Public-Use Airports in Maryland Study, 2024*).

The owner is beginning a new master plan for the express intention of expanding the airport. The first phase of planned improvements is expected to include the construction of four new hangers and a maintenance facility. Another key improvement in the plan will be the extension of the 3,740-foot runway to accommodate larger aircraft.

Over 200 acres of land surrounding the airport was recently rezoned from the Watershed Conservation District to commercial zoning, including a 50-acre parcel of county-owned land. The new Aviation Business Park (“ABP”) Zone purpose is to permit ancillary employment supporting development.

The county-owned parcel in the ABP is an opportunity site for commercial development in support of operations at Naval Surface Warfare Center – Indian Head (“NSWC-IHD”). This site serves as a key anchor to the Western Charles County Technology Corridor along with NSWC-IHD and Bryans Road.

WHITE PLAINS - HWY 301 CORRIDOR

Two miles south of St. Charles along the U.S. Route 301 Business Corridor is the community of White Plains which continues to evolve as an employment center with some of the highest quality office space available in the County. These include White Plains Corporate Park with 160,000 square feet of class A office space and 75,000 square feet of flex space; Fairview Center with two three-story medical buildings; and the recently completed Maryland Army Reserve training facility.

WESTERN CHARLES COUNTY - HWY 210 CORRIDOR

Naval Support Facility Indian Head

The western Charles County Town of Indian Head is home to the Department of Defense (“DoD”) Naval installation, Naval Support Facility Indian Head. The base houses tenant commands involved in a diverse and strategically important mix of research and development and manufacturing activities as well as programs serving the U.S. Navy, Marine Corps, Air Force, and Army forces deployed worldwide.

In addition to its military value, the Indian Head Navy installation makes a significant economic contribution to the local community by serving as one of the County’s largest employers. Established in 1890 as the Naval Proving Ground, today the installation is DoD’s research and development center for energetics technology as well as ordnance detection and disposal, micro-electronic-mechanical systems, and nanotechnology. The base is a multi-military facility housing the Naval Surface Warfare Center Indian Head NSWC-IHD) as its largest tenant. The base also hosts the Chemical & Biological Incident Response Force (Marines), other military support activities, and numerous defense subcontractors and support units. Active employment at the base is approximately 4,272 military, civilian, and support personnel. For fiscal year 2024, the naval base generated \$361 million funneled directly into the local economy in the form of civilian and military payroll dollars and an additional \$674.3 million in total contracts.

In August 2020, the Board of Commissioners and NSWC-IHD entered into a Partnership Intermediary Agreement (PIA), the purpose of which is to promote cooperative activities between NSWC-IHD and small business as well as educational institutions served by the EDD. Specifically, the PIA will foster cooperative research and expand the transfer of technology between and among federal labs, small businesses, and universities.

NSWC-IHD is initiating a multimillion-dollar—estimated between \$8-10 million—infrastructure improvement project. As part of this initiative, SMECO is assuming ownership, operation, and maintenance of NSF Indian Head’s electric system for a 50-year period which began in October 2024.

MAJOR COMMANDS AT NSF INDIAN HEAD

Naval Surface Warfare Center Indian Head Division (NSWC-IHD):

The Naval Surface Warfare Center Indian Head (“NSWC-IHD”) is the principal Energetics Center for the DoD. The command’s mission is to provide research, development, test and evaluation, and in-service support of energetics and energetic materials. NSWC-IHD employs a workforce of over 2,300 (federal, military, and contractors), including scientists, engineers and technicians dedicated to every aspect of developing and sustaining explosives, propellants, pyrotechnics, high energy chemicals and their application into war fighting systems, as well as energetics ordinance disposal.

NSWC-IHD is the only command to have received Center for Industrial and Technical Excellence (“CITE”) designation as both an arsenal and a depot. CITE is a statutory authority that allows the command to enter public/private partnerships to perform work under their core competencies.

Alongside traditional investments in the Military Industrial Base, the Navy also aims to revitalize its capabilities and capacities via the Energetic Comprehensive Modernization Plan (“ECMP”). The vision for the ECMP is to provide an arsenal that is safe, agile, resilient and ready to provide the capabilities and capacity required for wartime preparation, surge and replenishment. ECMP includes more than NSWC-IHD 600 specific projects to modernize and expand NSWC-IHD’s capabilities.

In March 2024, NSWC-IHD entered into a 20-year public-private partnership (“P3”) agreement with X-Bow Launch Systems Inc. (“X-Bow”) to develop, qualify and manufacture propulsion systems for current and future needs. The effort will provide affordable, solid propellant rocket systems that meet strict performance requirements. The manufacturing activities utilize NSWC-IHD’s existing industrial plant complexes and will help sustain key energetics manufacturing capabilities. This partnership strengthens the ability of the DoD’s industrial base to meet solid propellant rocket motor propulsion needs.

Expeditionary Exploitation Unit One (EXU-1):

Expeditionary Exploitation Unit ONE (“EXU-1”) assists on missions ranging from mine countermeasure operations, surface and underwater post-blast investigations, special operations forces targeting, electronic engineering and forensic exploitation, advanced radiography and ordinance disassembly, and technical intelligence reach-back functions. It is a one-of-a-kind command within the Department of Defense.

Naval Ordnance Safety and Security Activity (NOSSA):

Naval Ordnance Safety and Security Activity (“NOSSA”) was established on Oct. 1, 1999 to manage and administer U.S. Navy explosives safety programs to include ammunition and explosives safety and security; weapons, platforms and combat systems; ordnance environmental support; insensitive munitions; ordnance quality evaluation; and arms, ammunition and explosives (“AA&E”) physical security.

U.S. Marine Corps Chemical Biological Incident Response Force (CBIRF):

U.S. Marine Corps Chemical Biological Incident Response Force (“CBIRF”) responds to hazardous material incidents involving the use of chemical, biological, radiological, or nuclear explosive (“CBRNE”) weapons of mass destruction. CBIRF assists local, state, or federal agencies and designated commanders in post-incident mitigation by providing agent detection and identification; casualty extraction, extrication and decontamination; and emergency medical care and stabilization of contaminated personnel. CBIRF Marines also support the United States Secret Service during high-profile events such as the President’s annual State of

the Union Address. More than 500 Marines from more than 40 military occupational specialties train to complete those missions. The unit is equipped with six major sections, including Explosive Ordnance Disposal, Technical Rescue Decontamination, Identification Detection Platoon (“IDP”), medical, and casualty extraction.

Naval Facilities (NAVFAC):

In order to allow military tenants to focus on core missions, Naval Facilities (NAVFAC) manages the installation and its physical assets – land, buildings, and infrastructure – under the Command of Naval Support Activity, South Potomac Division.

TOWN OF INDIAN HEAD

Redevelopment Efforts in Indian Head

The Charles County Economic Development Department (“EDD”) continues to work with the Town of Indian Head as well as institutional and private sector stakeholders to support redevelopment of underutilized and vacant properties along the Maryland Route 210 Corridor.

A Technical Advisory Group has been established to create a Town of Indian Head Transportation Corridor Resiliency Study, led by Tri-County Council of Southern Maryland. The study is funded by DOD/Office of Local Defense Community Cooperation. This study features a transportation and pedestrian analysis of the area of concern along the MD Route 210 corridor. The study is actively underway and the final report is expected to be completed in 2026 and is expected to include an implementation and cost analysis strategy including financing opportunities and recommendations, conceptual planning of alternatives, emergency preparedness tabletop scenario, and a communication plan for the initial kickoff and selected alternatives.

Western Charles County Technology Corridor

In July 2022, the Charles County Board of Commissioners established the Western Charles County Technology Corridor, a designated area aimed at fostering the growth of technology-related businesses. This designation will enhance the area’s marketing, branding efforts and business attraction efforts.

The designated area currently houses over 130 businesses, which stretch from the Town of Indian Head to Bryans Road. The Corridor, which remains under development, provides targeted incentives and support services to attract new technology enterprises to Charles County.

Located within a forty-minute drive of major federal laboratories and military bases in Baltimore, Richmond and Washington D.C., the Corridor boasts a skilled workforce, lower business costs, and a strategic location for engaging with the aforementioned major commercial centers. A key advantage of the region is its projected growth over the next five years. By 2027, both population and household numbers are expected to increase by approximately 0.3% and 0.5%, respectively. Median household income is also anticipated to surpass \$100,000 by 2027, reflecting a growth of over 15%.

Oasis Fresh Foods Market

Oasis Fresh Foods Market is the first dedicated grocery store in the Town of Indian Head in more than two decades. It offers fresh, affordable produce, meats, fish and other staples as well as locally sourced prepared foods. Parcels surrounding the market provide parking and a community garden. Oasis has seven market-rate apartments on the second floor of the space, which are fully occupied. Oasis also shares a space with an adjacent ice cream parlor Papaleo’s Ice Cream, which features premium small-batch ice creams from Baltimore’s Taharka Brothers. The market’s proprietors, Bolans-Darby Partners, the owners of Clarity Coffee House and Pentagon Suites, continue to support the town’s renaissance in a practical way. Oasis Fresh Foods Market officially opened in fall 2024.

Carpenter's Garage

Acquired in May of 2024 by Energetics Technology Center (“ETC”), the planned usage for the Carpenter’s Garage includes 2,400 square feet of office space, with an additional 1,600 square feet slated for future use. The Carpenter’s Garage will continue the revitalization of Indian Head, by supporting the NSWC-IHD, creating needed office space and restore the historic character to one of Indian Head’s oldest buildings. The Carpenter’s Garage opened in 2025, and is fully occupied by ERG, a contractor at NSWC-IHD.

Maryland Technology Center

The 30,000 square foot, Maryland Technology Center (“MTC”) in Indian Head represents Phase II of the Town of Indian Head’s Revitalization Plan and serves as an innovative model for public/private partnerships. In late 2023, the United States Bomb Technology Association (“USBTA”) began expanding its footprint at the MTC from 13,000 square feet to occupy the entire 30,000 square feet of the newly renovated building. The official grand opening for the remaining space was held in 2025. In 2024, the USBTA held numerous training sessions with over 600 participants across 230 agencies and squads.

USBTA has developed and is currently managing a Bomb Disposal Technology and Training Center (“BDTTC”) at the MTC adjacent to the NSWC-IHD.

The first-of-its-kind “Center for Excellence” brings together federal agencies, the Department of Defense, industry partners, academic institutions, and non-profit organizations to support the bomb technician community, Maryland first responders, the Federal Bureau of Investigation (“FBI”), the Department of Homeland Security (“DHS”), and others.

To date, 15 businesses and organizations have co-located with USBTA at the MTC, with an additional seven more companies currently on the waitlist. A new tenant is X-Bow Systems Inc., a large federal contractor working with NSWC-IHD. In addition to its on-site tenants, USBTA hosted over 15 notable external organizations at the MTC in 2024. USBTA relocated staff to Indian Head and regularly holds membership events at the Velocity Center and other venues in Charles County, generating significant direct spending from conference attendees and related activities.

The expansion also includes an operational/community-sensitive SCIF (Sensitive Compartmented Information Facility) in partnership with Applied Research and Associates (“ARA”). ARA will manage and operate the SCIP, with agreements in place to establish this secure capability in Indian Head.

Following X-Bow’s arrival at the MTC, Roebbelen, a Sacramento, CA based general contractor closely aligned with X-Bow, purchased a former pub/restaurant property in Indian Head in early 2025. The company is finalizing plans for the site, which may include new office and meeting space.

Velocity Center at Indian Head

The College of Southern Maryland’s Velocity Center has been a key component of the revitalization efforts in the Town of Indian Head. The Velocity Center concept was an outgrowth of an initiative proposed by NSWC-IHD in 2015 to create an innovation center in the Town to support US Navy engagement with customers and create off-base collaboration space. In 2023, the Velocity Center opened its 1,984 square foot Makerspace. It is a collaborative community workspace for making, learning, exploring, and sharing. The Makerspace is equipped with a variety of maker equipment including 3D printers/scanners, laser cutters, soldering irons and other additive and subtractive machines for manufacturing. It also includes hardware and software for cyber/gaming, CAD modeling, simulation, app development, robotics, and prototyping.

The CSM Velocity Center aligns with the strategic plans of the region’s naval bases —NSWC-IHD, the Naval Air Warfare Center – Aircraft Division (“NAWC AD”), the Chesapeake Bay Detachment of the U.S. Naval Research Laboratory — the State of Maryland Economic Development Commission, and the Charles County Strategic Economic Development Plan.

The facility serves as the anchor for the larger “Velocity Park” is being developed by Charles County based Mid-Atlantic Development. It is envisioned that the entire site will include office buildings for defense contractors as well as retail, restaurants, and a small hotel. Plans are being discussed with an investor to build a 20,000 square foot, four-story class A office building in the Velocity Park.

TOWN OF LA PLATA / HWY 301 CORRIDOR

Six miles south of White Plains is the county seat of La Plata with a residential population of 10,470. As a center for government, the town center houses the Municipal Town Hall, Charles County Government Offices, the Charles County Courthouse, University of Maryland Charles Regional Medical Center, other medical, legal, and government offices, retail, and restaurants. In the immediate area are the County’s Board of Education administrative headquarters and additional County facilities.

The Town is also affiliated with the Main Street America program, a national preservation-based economic development and community revitalization organization. Main Street America offers a comprehensive set of resources, technical services, and educational offerings to help cities and towns effectively navigate the field of downtown and commercial district management. Rosewick Corner Development is a new mixed-use development in the Town of La Plata located on the southeast corner of Rosewick Road and Route 301. The Center was completed in 2024 and features 193 apartments and 34,500 square feet of retail space.

Pine Grove is a master planned, mixed-use community in La Plata that is being developed by D.R. Horton, the largest homebuilder in the United States. There are approximately 3,170 homesites on over 1,000 acres, with 90 acres of land planned for commercial development. Future commercial development is anticipated to include a supermarket, office and flex office space and self-storage units.

OTHER COUNTY LOCATIONS AND PROJECTS

Blossom Point U.S. Army Research Facility

Blossom Point Research Facility is a 1,600-acre U.S. Army installation located near La Plata. The primary mission at Blossom Point is to operate and maintain an ordnance test range facility. With multifunctional test ranges supporting an average of 125 programs a year, agencies supported by Blossom Point include all services. Blossom Point is also home to Naval Research Laboratory’s (“NRL”) Blossom Point Tracking Facility, which tracks all types of earth-orbiting satellites, space vehicles, and other orbital objects/debris.

Commercial and Industrial Land

The Maryland Department of Assessments and Taxation reported the following amounts of improved and unimproved commercial and industrial land in acres, as of October 2025:

	Total	Non-exempt	
	Commercial	Commercial	Industrial
	<u>Land</u>	<u>Land</u>	<u>Land</u>
With improvements.....	18,370	6,020	1,900
Without improvements (available)..	6,012	5,562	4,003

The 2016 adopted Comprehensive Land Use Plan identifies employment industrial park districts and commercial business park districts. One of the main implementing tools of the Comprehensive Plan is the Zoning Ordinance. The Zoning Ordinance created five commercial zones: neighborhood commercial, village commercial, community commercial, central business, and business park zones. There are two industrial zones, general industrial and heavy industrial, and two floating zones, planned employment park and mixed-use park. The County is in the process of a comprehensive re-write of the Zoning Ordinance and Subdivision Regulations in order to enhance the effectiveness of the regulations and create a more user-friendly document for the public. This effort is led by County staff and is comprised of several discipline-focused working groups to draft new zoning and subdivision regulations to implement the plan.

Income Tax Data

Data from 2023 Maryland income tax returns displays a stable income posture. Total Federal adjusted gross income (“AGI”) reported on County taxable and non-taxable 2023 returns of \$7,163,734,125 rose above the comparable 2022 amount of \$6,695,204,813 by 7.0%.

The County accounted for 2.7% of the total taxable returns filed in the State, 8.4% of the taxable returns showed AGI between \$40,000 and \$50,000, 30.6% of the taxable returns showed AGI between \$50,000 and \$100,000, and 35.7% of all taxable returns are over \$100,000. There has been a 7.8% increase between 2017 and 2023 in total taxable returns filed by County taxpayers (64,164 versus 69,165).

2023 Returns with AGI between \$40,000 and \$100,000

	<u>Statewide</u>	<u>Charles County</u>	<u>Carroll County</u>	<u>Frederick County</u>	<u>Calvert County</u>	<u>Baltimore County</u>	<u>Prince George’s County</u>	<u>Montgomery County</u>	<u>Howard County</u>
No. of Res. Returns	947,778	26,940	25,399	42,643	13,091	133,900	157,107	146,615	42,144
% of State	100.00%	2.84%	2.68%	4.50%	1.38%	14.13%	16.57%	15.46%	4.44%
% of Maryland 2023 Census.....	100.00%	2.78%	2.86%	4.75%	1.53%	13.67%	15.33%	17.13%	5.44%
Proportion Difference: No. of Returns with AGI \$40,000 - \$99,999/Statewide Population		1.02	0.94	0.95	0.90	1.03	1.08	0.90	0.82

Source: Office of the Maryland Comptroller of the Treasury. U.S. Census Bureau – 2023 Census Data.

2023 Returns with AGI between \$100,000 and Over

	<u>Statewide</u>	<u>Charles County</u>	<u>Carroll County</u>	<u>Frederick County</u>	<u>Calvert County</u>	<u>Baltimore County</u>	<u>Prince George’s County</u>	<u>Montgomery County</u>	<u>Howard County</u>
No. of Res. Returns.....	832,985	24,688	28,625	47,034	15,709	97,036	96,555	181,891	65,416
% of State.....	100.00%	2.97%	3.44%	5.65%	1.89%	11.65%	11.59%	21.84%	7.85%
% of Maryland 2023 Census.....	100.00%	2.78%	2.86%	4.75%	1.53%	13.67%	15.33%	17.13%	5.44%
Proportion Difference: No. of Returns with AGI \$100,000+ Statewide Population		1.07	1.20	1.19	1.24	0.85	0.77	1.28	1.44

Source: Office of the Maryland Comptroller of the Treasury. U.S. Census Bureau – 2023 Census Data.

Growth in Number of Total Residents Returns Filed in 2017 versus 2023

Charles County	3.70%	Anne Arundel	0.43%
Howard	1.48%	St. Mary's	2.54%
Frederick	10.70%	Carroll	0.39%
Prince George's County	-7.90%	Calvert	-0.26%
Montgomery	-2.97%	Washington	3.58%

Source: Office of the Maryland Comptroller of the Treasury.

**Number of Charles County 2023 Income
Tax Returns, by Maryland Adjusted Gross
Income Class, Percent of State Total**

<u>Maryland Adjusted Gross Income</u>	<u>Number of Returns</u>	<u>% of Total</u>	<u>Charles County as % of Maryland</u>
\$0-\$9,999	844	1.2%	0.9%
\$10,000 under \$20,000	4,072	5.9	2.3
\$20,000 under \$30,000	6,174	8.9	2.5
\$30,000 under \$40,000	6,447	9.3	2.4
\$40,000 under \$50,000	5,761	8.4	2.5
\$50,000 under \$100,000	21,179	30.6	2.9
\$100,000 and over	<u>24,688</u>	<u>35.7</u>	3.0
Taxable Returns	69,165	100.0%	2.7%
Non-Taxable	<u>13,262</u>		2.1
Total-All Returns	82,427		2.6%

Source: Office of the Maryland Comptroller of the Treasury.

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Agriculture

Agriculture is an important part of the economic base of the County. To maintain this base, the County has adopted a goal to preserve 50% of the County’s land mass as open space. Field crops, in general, comprise the mainstay of the County’s agricultural production with some operations transitioning to agri-tourism and direct farm marketing of produce and meats, along with other value-added products. According to the 2022 Census of Agriculture, Charles County produced 20,687,000 worth of agricultural products in 2022, which is a \$6.6 million increase from 2017.

The USDA Farm Service Agency lists 1,250 farm and forest parcels in the County, with an average farm size of 120 acres. Approximately 140,380 acres or 47% of the County’s total land area comprise these farm and forest operations. In 2025, the average fair market value for farm land was \$5,000 per acre.

Charles County agriculture is likely to continue to be driven by a small number of large farms that produce grain and a growing number of small farms that produce nursery, greenhouse and vegetable crops and provide agri-tourism opportunities. Charles County has the advantage of proximity to the Washington, DC metro region, which features consumers who value locally grown products and buying direct from the grower.

Construction

As set forth in the Ten-Year Building Permit Summary, the County has experienced steady growth. The County issued 1,178 new residential units in calendar year 2024.

Charles County, Maryland Ten-Year Building Permit Summary

Calendar Year	No. of New Residential Permits	No. of New Commercial Permits	Number of Res. Misc. Permits	No. of Comm. Alter./Add. Permits	Total Number of Permits	Total Estimated Construction Costs
2015.....	833	40	1,996	365	3,234	\$236,559,685
2016.....	761	5	2,124	264	3,154	196,625,254
2017.....	666	11	1,866	273	2,816	224,979,125
2018.....	619	7	1,851	258	2,735	172,608,693
2019.....	611	9	1,425	286	2,331	249,253,537
2020.....	623	9	1,583	237	2,452	330,152,462
2021.....	758	11	1,528	231	2,528	380,000,298
2022.....	827	12	1,841	324	3,004	450,927,328
2023.....	868	15	1,525	273	2,681	442,765,673
2024.....	1,178	28	1,320	278	2,804	423,282,069

Source: Charles County Department of Planning & Growth Management, Division of Codes, Permits, & Inspection Services. Excludes Town of Indian Head and La Plata.

As shown below, the average cost of new single family dwelling units has progressively risen since 2015 and saw double digit increases from 2019 to 2022.

Single Family Detached Dwelling Units

<u>Calendar Year</u>	<u>Estimated Construction Costs</u>	<u>No. of New Units</u>	<u>Estimated Average Cost per Unit</u>	<u>% Change from Prior Year</u>
2015.....	\$125,326,150	527	\$237,811	(13.48)
2016.....	118,704,200	497	238,841	0.43
2017.....	119,826,871	479	250,160	4.74
2018.....	100,484,823	386	260,323	4.06
2019.....	124,089,543	418	296,865	14.04
2020.....	171,428,990	486	352,735	18.82
2021.....	213,092,544	502	424,487	20.34
2022.....	202,000,462	422	478,674	12.77
2023.....	147,135,770	299	492,093	2.80
2024.....	164,051,562	323	507,900	3.21

Source: Charles County Department of Planning and Growth Management, Division of Codes, Permits, & Inspection Services. Excludes Town of Indian Head and La Plata.

Transportation

Roads. The County contains an extensive road network, consisting of approximately 2,525 lane miles of roadway, of which 2,125 are County owned and maintained. The major highways serving the County include U.S. Route 301, which runs north toward Baltimore and south toward Richmond, Virginia; Maryland Route 5, which runs from lower St. Mary’s County, through Waldorf in northern Charles County, north to Washington, D.C.; and Maryland Route 228 west of U.S. Route 301 to Waldorf to Maryland Route 210, which runs from the Naval Support Facility at Indian Head north to Washington D.C. Throughout the County, an extensive system of State and secondary highway and County roads link all parts of the County with these main highways.

The County Commissioners highest transportation priority has been to bring high-capacity fixed route transit service from the Branch Avenue Metro Station to the urban core of Waldorf. During the 2021 Session of the Maryland General Assembly, House Bill 414 was passed requiring the Maryland Department of Transportation (MDOT) to provide \$5 million per year for each year of the 6-year Capital Program to complete the National Environmental Policy Act (NEPA) process which will select the alignment and transit mode. Consistent with the House Bill, the County requested and received approval of \$10 million in Federal matching funds through fiscal years 2022 and 2024 Federal Designated Spending Funds (formerly known as an Earmark). The County applied for an additional \$5 million in Federally Designated Spending funds for fiscal year 2026 and is currently awaiting approval by Congress. Together with Prince George’s County to our north, we have assembled the project team with the Maryland Department of Transportation (“MDOT”), with an anticipated completion of this phase in 2027. To support this project the County developed an integrated transportation and land use strategy that is detailed in the Waldorf Urban Design Study, which includes a series of recommendations on land use, mass transit and improvements to State and local roads. The genesis of the concept was based on the 2004 Waldorf Sub-Area Plan and further refined in the County’s 2006 and 2016 Comprehensive Plan Updates.

Unveiled in 2010, the Waldorf Urban Redevelopment Corridor is planned to be the new “downtown” of Waldorf through walkable, transit-oriented zoning, urban design guidelines, and planned public investment. A Phase I Implementation Plan for the redevelopment area was completed to assess the infrastructure needs, the associated cost estimates and to develop alternatives for a Phase I development project to serve as a catalyst for implementation. The plan also sets a strategy to advance transit-oriented development centered around fixed route transit service planned for the corridor. The engineering and design efforts are currently underway for the water, sewer, stormwater and roadway improvements to facilitate the redevelopment of Downtown Waldorf and includes the Phase 1 Development Area and civic campus. The Phase I Area and Civic Campus is anticipated to include a public assembly building, a hotel and several other ancillary commercial uses. In addition to the public facilities addressed above, the Waldorf Redevelopment Corridor also anticipates the incorporation of underground private utilities such as telephone, power and fiber optic cable. The goal is to produce a contemporary, walkable and transit ready environment all designed on “green street” principles. Included in the County’s five-year capital improvement plan is funding to reconstruct Old Washington Road. This road will support increased North-South traffic flow and overall traffic circulation, while accommodating all modes of transportation support the commercial businesses in the Waldorf community. Old Washington Road is not only a North-South link but will also support East-West connectivity between Western Parkway, US Route 301, and Post Office Road. Also included are projects for improvements to Route 301 southbound lanes at Mattawoman/Beantown Road, improvements to Pinefield Road/MD Route 5 business intersection as well as improvements to Substation Road.

The County’s Capital Improvement Program for transportation is funded and moving forward with construction of Western Parkway Phase 3, Old Washington Road Improvements, and Billingsley Road Safety Improvements. Over the last several years, the program has completed the Middletown Road roundabout, Western Parkway Phase 2, the traffic signal at Smallwood Drive and McDaniel Road, as well as the addition of pedestrian phase improvements at the Smallwood Drive and St. Patrick’s Drive intersection.

Public Transportation. VanGO is a local, countywide public transit system that provides transportation to citizens six days a week in the more populated areas of Waldorf, St. Charles, Indian Head, and La Plata. The fixed routes serve numerous desired primary destinations including employment locations in La Plata and Waldorf, the College of Southern Maryland, shopping centers, medical facilities, recreation and senior centers, and community centers. VanGO’s public transit component includes sixteen routes operating Monday through Saturday from 6:30 a.m. to 10:30 p.m., providing maximum opportunities with limited ride durations. In 2014 VanGO established a connecting route with Prince George’s County, providing a new regional transit opportunity. With the addition of a new route established by Calvert County in February 2018, there is now a direct VanGO connection to their transit system. VanGO continues daily connections to the St. Mary’s County Transit System providing a total of three inter-county connection in Southern Maryland.

VanGO also offers various specialized services to complement the public transit service, including demand response service for senior citizens and disabled individuals, ADA complementary paratransit services for disabled individuals, and service in support of the Department of Social Services welfare reform initiatives. All VanGO vehicles are wheelchair accessible.

As of January 1, 2022, VanGo began offering free service to riders, a first among all Maryland jurisdictions. This was designed to eliminate barriers for residents to travel to essential destinations including work, shopping, and educational facilities.

Air Transportation

The County is well served by three major airports located within 60 miles of La Plata, the County seat. These airports provide all levels of short, long, and international flight services. In addition, there is one general aviation airport, Maryland Airport, located in the County. Travel demand worldwide has increased greatly since the COVID-19 pandemic.

MARYLAND AIRPORT is a privately owned general aviation facility located in the County about 12 miles west of central Waldorf. The airport was purchased by a private entity who has the intention of completing the planned airport expansion funded by the Federal Aviation Administration, and the Maryland Aviation Administration, to extend the existing runway from 3,750 feet to 4,200 feet. Planned improvements include a new taxiway, lighting, hangars, and renovated terminal building. The improvements will facilitate business travel, intraregional transportation and access to the new National Harbor development on the Potomac River near Washington D.C. as well as to the District of Columbia itself. The daily aircraft operations (takeoffs and landings) are averaged at 60 per day, with 110 homebased aircrafts. Maryland Airport is now the closest airport – private or commercial – to Washington, D.C. that can handle private and corporate jet traffic without the requirement of additional security agents.

REAGAN NATIONAL AIRPORT is located 29 miles from the County in Arlington, Virginia across the Potomac River from Washington, D.C. The 860-acre site was selected by President Franklin D. Roosevelt in 1938; 733 acres of the site are situated on land and 127 acres are underwater. With 384 daily departures, the airport provides daily flights to 97 destinations via 17 airline carriers. In 2024, Reagan National Airport served more than 26.3 million passengers and had close to 296,249 intermittent flight operations. Facilities include 58 gates and parking for almost 8,500 vehicles. Reagan National Airport is also served by METRORAIL, the Washington DC area’s public transportation system.

WASHINGTON DULLES INTERNATIONAL AIRPORT is located in Fairfax and Loudoun Counties in Virginia. Dulles has a total of 135 gates, including 250 daily domestic departures to 86 destinations on 18 airline carriers. International flights serve 52 destinations on 33 airline carriers with 78 daily departures. In 2024, the airport served 27.3 million passengers and had 263,011 intermittent flight operations. Dulles Airport is about an hour drive from Charles County via the Washington Beltway and the Dulles Access Road and has parking for more than 24,000 vehicles. Washington Dulles International Airport is also served by METRORAIL, the Washington D.C. area’s public transportation system. It provides access to trains from the airport to downtown Washington D.C. and points around the region.

BALTIMORE WASHINGTON INTERNATIONAL THURGOOD MARSHALL AIRPORT is located in Anne Arundel County, Maryland and served approximately 27.1 million commercial passengers in 2024. With an average of 608 operations per day, the airport is served by 36 commercial airlines including, commuter, charter, and cargo services; with scheduled flights to 75 domestic and 17 international destinations. The airport is accessible from the County via Interstate 95, the Baltimore/Washington Parkway, or Interstate 97 and has parking for approximately 25,000 vehicles. BWI Marshall is continuing to expand its service, renovate its facilities and update processes.

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Employment

As indicated in the following table, employment in the County increased from 38,436 in 2020 to 42,790 in 2024, a gain of 4,354 jobs and an 11.3% increase in total employment. Growth in the public sector of employment outpaced the private sector between 2020 and 2024.

The following table indicates the numbers of persons employed by industrial category and by type of governmental employer for the calendar years indicated.

Five-Year Employment Statistics

	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>% Change '20 to '24</u>
<u>GOVERNMENT</u>						
Federal	2,690	2,676	2,982	3,711	3,953	47.0%
State	517	521	541	539	552	6.8
Local	<u>6,728</u>	<u>6,704</u>	<u>7,010</u>	<u>7,285</u>	<u>7,538</u>	<u>12.0</u>
Subtotal.....	9,934	9,901	10,533	11,536	12,043	21.2%
<u>INDUSTRY</u>						
Services, Trans., Comm., & Utilities ...	24,646	25,834	26,314	26,340	27,257	10.6%
Construction	3,259	2,997	2,958	2,911	2,874	(11.8)
Manufacturing	566	567	557	543	593	4.8
Other	<u>33</u>	<u>28</u>	<u>27</u>	<u>23</u>	<u>23</u>	<u>(30.3)</u>
Subtotal.....	<u>28,502</u>	<u>29,426</u>	<u>29,856</u>	<u>29,817</u>	<u>30,747</u>	<u>7.9</u>
Total	<u>38,436</u>	<u>39,327</u>	<u>40,389</u>	<u>41,353</u>	<u>42,790</u>	<u>11.3%</u>

Source: Maryland Department of Labor, Licensing and Regulation.

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Between 2020 and 2024, job growth in Charles County increased 11.3% for most sectors as compared to a increase of 8.0% for the Maryland portion of the DC MSA and an increase of 10.0% for the State of Maryland, respectively. Charles County’s growth was predominately in the Federal Government sector.

**Job Growth for Charles County
Compared to Metropolitan Area and State
(2020-2024)**

	CHARLES COUNTY	MD portion of WASHINGTON D.C. MSA	MARYLAND
<u>GOVERNMENT</u>			
Federal.....	47.0%	7.0%	8.3%
State	6.8	14.8	10.6
Local	<u>12.0</u>	<u>10.8</u>	<u>11.4</u>
Subtotal	21.2%	9.7%	10.3%
<u>INDUSTRY</u>			
Services, Transportation, Comm., & Utilities.....	10.6%	2.2%	11.0%
Construction.....	(11.8)	0.8	2.4
Manufacturing.....	4.8	5.8	4.0
Other	<u>(30.3)</u>	<u>(18.1)</u>	<u>6.1</u>
Subtotal	<u>7.9</u>	<u>7.5</u>	<u>10.0</u>
Total	<u>11.3%</u>	<u>8.0%</u>	<u>10.0%</u>

Source: Maryland Department of Labor, Licensing and Regulation.

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Employers

The largest employer is the Charles County Board of Education and has been a major employer in the County since it was established. The Naval Support Facility (“NSF”) Indian Head is currently the County’s second largest employer.

Major Employers

<u>Employer</u>	<u>Number of Employees</u>
Charles County Board of Education	4,263
Naval Support Facility (NSF) Indian Head	3,544*
Charles County Government.....	2,085
UM Charles Regional Medical Center.....	911
College of Southern Maryland.....	691
Wal-Mart/Sam’s Club.....	638
Waldorf Chevy/Cadillac, Honda, Ford, Toyota/Scion, Dodge.....	560
Southern Maryland Electric Coop. (SMECO)	534
Safeway.....	425
Lowe’s.....	320
Chick-fil-A.....	301
Target.....	300
MedStar Shah.....	238
Complete Care at La Plata	230
Darden Restaurants	209
Green Acres Nursing and Rehab.....	203
Amazon.....	200

*Number represents Federal, Military and Contractor employees.

Source: Charles County Economic Development Office as of August 2025. In cases where the headquarters office is based in the County, the firm’s total employment is shown.

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Unemployment

The average unemployment rate in the County was below national averages from 2020 through 2024. The 2024 average unemployment rate of 3.1% for the County was less than the 4.0% rate for the United States and more than the 3.0% rate for the State of Maryland for the time period.

The following table sets forth the County’s unemployment rate as compared with the other selected counties of Maryland, the State of Maryland and the United States for the calendar years 2020-2024.

Annual Average Unemployment Rate

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Calvert County	2.6%	2.0%	2.8%	4.2%	5.1%
Charles County	3.1	2.2	3.0	5.1	6.4
Frederick County	2.6	1.9	2.5	4.0	5.3
Montgomery County	2.7	1.9	2.6	4.8	5.9
Prince George’s County	3.3	2.3	3.2	6.6	7.7
St. Mary’s County	2.7	2.0	2.8	4.0	4.6
State of Maryland	3.0	2.2	3.0	5.2	6.5
United States ⁽¹⁾	4.0	3.6	3.6	5.3	8.1

¹ U.S. Department of Labor, Bureau of Labor Statistics.

Source: Maryland Department of Labor, Office of Workforce Information and Performance (OWIP), Local Area Unemployment Statistics (LAUS) - Workforce Information & Performance – Annual County Data.

The number of persons living in the County who were available for work and comprised the County labor force numbered 90,037 in August 2025, while the total employment of this force was 85,820 resulting in an unemployment rate of 4.7%. Comparative unemployment rates are given below for August 2025.

Calvert County	3.8%
Charles County	4.7
Frederick County	3.6
Montgomery County	4.0
Prince George’s County	4.8
St. Mary’s County	3.9
State of Maryland	3.6
United States	4.3

Source: “State of Maryland, Civilian Labor Force, Employment and Unemployment by Place of Residence – Monthly Labor Review – August 2025.” Maryland Department of Labor, Licensing and Regulation. Office of Labor Market Analysis and Information.
United States data is from the U.S. Department of Labor, Bureau of Labor Statistics.

Income

Median household income and per-capita income for Charles County, the State, and other surrounding counties are shown below. Charles County ranks fourth for Median Household Income and twelfth in Per Capita Money Income when compared to the other 23 counties in the State of Maryland and the City of Baltimore.

	<u>Median Household Income</u>	<u>State Ranking</u>	<u>Per Capita Money Income</u>	<u>State Ranking</u>
Anne Arundel County	\$120,324	6	\$58,462	3
Calvert County	132,059	2	56,411	4
Charles County.....	120,592	4	50,540	12
Frederick County.....	120,458	5	53,316	7
Howard County	146,982	1	65,860	2
Montgomery County.....	128,733	3	66,124	1
Prince George’s County	100,708	11	45,287	15
St. Mary’s County	114,580	8	51,358	10
State of Maryland.....	101,652		51,689	

Source: U.S. Census Bureau, American *Community Survey*, 5-Year Estimates (2019-2023).

Population

The 2024 estimated County population is approximately 174,478. The County experienced a 4.7% increase in population between April 1, 2020 and July 1, 2024, compared to the State growth rate of 1.4%. Nevertheless, the County remains predominantly rural, with population growth occurring primarily in the Waldorf/St. Charles area in the northern section of the County. The primary attractions of this area are its proximity to the Capital Beltway, a limited access dual highway, and the relatively low property taxes of the County as a whole as compared to other counties in the Washington, D.C. metropolitan area. The following table sets forth the County’s population and the age distribution of the population for the years indicated using estimates from the U.S. Bureau of the Census, Population Estimates Program (PEP).

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As of 2025, the percentage of the population under 20 years of age is estimated to be slightly lower than in 2000, currently representing 26.5%.

Population and Age Distribution

<u>AGE</u>	<u>2000⁽¹⁾</u>	<u>2005⁽¹⁾</u>	<u>2010⁽²⁾</u>	<u>2020⁽³⁾</u>	<u>2021⁽⁴⁾</u>	<u>2022⁽⁵⁾</u>	<u>2023⁽⁶⁾</u>	<u>2024⁽⁷⁾</u>	<u>2025⁽⁸⁾</u>
Under 5 ...	8,628	9,624	9,438	9,447	9,565	9,645	9,751	9,893	10,004
5-9 ...	9,891	10,343	10,233	10,859	10,995	11,086	11,208	11,371	11,500
10-14 ...	10,376	11,486	11,668	12,192	12,344	12,447	12,584	12,767	12,911
15-19 ...	8,971	10,403	11,581	11,733	11,880	11,978	12,110	12,287	12,425
20-24 ...	6,118	8,344	8,683	10,125	10,251	10,337	10,450	10,603	10,722
25-34 ...	17,401	17,167	17,175	20,495	20,751	20,924	21,154	21,462	21,704
35-44 ...	22,749	25,354	23,218	21,588	21,858	22,040	22,282	22,607	22,862
45-54 ...	17,062	20,254	24,797	24,815	25,125	25,334	25,613	25,986	26,279
55-64 ...	10,525	13,185	15,906	23,537	23,831	24,029	24,294	24,647	24,925
65-74 ...	5,460	6,479	8,558	13,465	13,633	13,747	13,898	14,100	14,259
75 or older...	<u>4,022</u>	<u>4,541</u>	<u>5,294</u>	8,361	<u>8,465</u>	<u>8,536</u>	<u>8,630</u>	<u>8,755</u>	<u>8,854</u>
All Ages ...	<u>121,203</u>	<u>137,180</u>	<u>146,551</u>	<u>166,617</u>	<u>168,698</u>	<u>170,102</u>	<u>171,973</u>	<u>174,478</u>	<u>176,446</u>

Percent of Population

Under									
20 Years...	31.2%	30.5%	29.3%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%
Over									
64 Years...	7.8%	8.0%	9.5%	13.1%	13.1%	13.1%	13.1%	13.1%	13.1%
Median Age...	35.1	35.1	37.4	38.8	38.8	38.8	38.8	38.8	38.8
Under 20									
Years ...	37,866	41,856	42,920	44,231	44,783	45,156	45,653	46,318	46,840
Over 64									
years ...	9,482	11,020	13,852	21,826	22,099	22,283	22,528	22,856	23,114

(1) Estimates are from the U.S. Bureau of the Census, Population Estimates Program (PEP). Population estimates are as of July 1st.

(2) The 2010 population is the Census 2010 population count as of 04/01/10.

(3) The 2020 population is the Census 2020 population count as of 04/01/20.

(4) Based on U.S. Census 2021 Population Estimates Program.

(5) Based on U.S. Census 2022 Population Estimates Program.

(6) Based on U.S. Census 2023 Population Estimates Program.

(7) Based on U.S. Census 2024 Population Estimates Program

(8) Based on U.S. Census 2024 Population Estimates Program, with estimated new Charles County U & O permit data used to derive number.

Since 2020, the number of housing units in the County has increased by 7.6%.

Persons Per Residential Units and Household

	Number of Occupied <u>Housing Units</u>	Number of Persons per <u>Household</u>
1975.....	15,519	3.89
1980.....	22,721	3.38
1985.....	28,498	3.18
1990.....	35,168	3.01
1995.....	39,736	2.93
2000 ⁽¹⁾	43,002	2.80
2005 ⁽²⁾	47,161	2.91
2010 ⁽³⁾	51,214	2.86
2015 ⁽⁴⁾	55,166	2.83
2020 ⁽⁵⁾	59,107	2.82
2021 ⁽⁶⁾	60,108	2.81
2022 ⁽⁶⁾	60,921	2.79
2023 ⁽⁶⁾	61,881	2.78
2024 ⁽⁶⁾	62,868	2.78
2025 ⁽⁶⁾	63,577	2.78

(1) U.S. Department of Commerce, U.S. Census Bureau, Census 2000.

(2) Based on U.S. Census 2000 data for occupied housing units, with new Charles County U & O permit data added to each previous year's number of occupied housing units.

(3) U.S. Department of Commerce, U.S. Census Bureau, Census 2010.

(4) Based on U.S. Census 2010 data for occupied housing units, with new Charles County U & O permit data added to 2010 number. Source: Charles County Department of Planning and Growth Management.

(5) U.S. Department of Commerce, U.S. Census Bureau, Census 2020.

(6) Based on U.S. Census 2020 data for occupied housing units, with new Charles County U & O permit data added to 2020 number. Source: Charles County Department of Planning and Growth Management.

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CERTAIN COMMUNITY RESOURCES IN THE COUNTY

Commercial and Industrial

Commercial and industrial development is concentrated along U.S. Route 301 in the northern part of the County with smaller areas of development in the incorporated towns, town centers and villages. The Waldorf area serves as the County's main employment and shopping district. The Waldorf Urban Redevelopment Corridor Plan implementation is anticipated to spur further development and redevelopment of commercial and mixed uses along the Route 301 corridor between the County line and Route 5. In addition, the Maryland Airport completed an expansion of its runway and other facilities, and the County rezoned 200 acres surrounding Maryland Airport to an Aviation Business Park Zone to facilitate commercial development. The County also has several business parks in various stages of development, located primarily in Waldorf, White Plains, Bryans Road, and Hughesville. See "ECONOMY OF THE COUNTY – Economic Development" for more details on the County's business parks.

Housing

Compared to the quiet, rural character of the past, the last two decades have seen the emergence of the County as a suburban center. With its proximity to Washington, D.C. and the continuing trend of development progressing outward from Washington, D.C., new residents are attracted to Charles County by the lower taxes, moderate housing costs, and the rural character. The County is projected to add approximately 30,600 housing units between 2020 and 2050, nearly a 52% increase from the current 59,100 units.

Growth management efforts have been very successful in concentrating residential growth in the County's development district (as defined in the County's Comprehensive Land Use Plan), where public infrastructure is available to serve new development. The comprehensive plan goal is to concentrate 75% of new growth in the development district and the County has generally met that goal during the past ten-year period. Also, the Comprehensive Plan mandates regulations to promote affordable housing. The County completed an in-depth study of this issue in 2018 by bringing in a team of experts to work with staff and present policy options for consideration by the Commissioners to implement the plan. The Planning Division has reinstated the Affordable Housing Workgroup whose role is to recommend to the Planning Commission and the Commissioners a comprehensive strategy for the development of affordable housing. The Workgroup presented its draft strategy to the Planning Commission in June 2025. It is anticipated that several amendments will be forthcoming to further this effort, including amendments to the County's Zoning Ordinance to promote affordable/workforce housing.

Housing Authority. Administers a variety of housing services and programs for low-to-moderate income residents of Charles County. This includes over \$12 million per year in federal housing assistance funds for the Housing Choice Voucher program, and numerous community development projects to address local needs, improving socio-economic stability and housing opportunity for residents.

Medical Facilities

Hospitals. UM Charles Regional Medical Center is an acute-care community hospital that serves Charles County and the surrounding areas of southern Maryland. UM Charles Regional Medical Center, which is affiliated with the University of Maryland Medical System, has provided acute healthcare and preventative services in Charles County and the surrounding communities for over 80 years. Their facilities include 104 licensed beds, an Urgent Care Center, a Center for Wound Healing, a Rehabilitation Center, an OB/GYN Center and two Ambulatory Surgery Centers located in Waldorf and La Plata. To keep pace with rapid changes in medical care and technology, a Medical Pavilion was opened in North La Plata, offering sports and orthopedic rehabilitation, an imaging center, and primary care services. A urology practice has joined the existing endoscopy outpatient surgery center. A second primary care office was opened in Bryans Road to provide much needed medical services in western Charles County.

MedStar Southern Maryland Hospital Center, a full-service, acute care hospital with more than 44,000 emergency room visits and nearly 11,000 admissions each year, is located five miles north of Waldorf in southern Prince George's County. Their facilities include a 24-hour emergency department and critical care unit, outpatient radiology, a surgical center, laboratory for sleep disorders, inpatient and outpatient behavioral health programs, rehabilitative medicine, and cancer treatment services.

Nursing Homes. Charles County is home to four state-licensed skilled nursing facilities and 38 state-licensed Assisted Living Facilities. The combined capacity for these facility-based care homes is approximately 1,066 beds.

Education

Public Elementary and Secondary. There are more than 28,000 students enrolled in Charles County Public Schools ("CCPS") which serves children in prekindergarten through Grade 12. The school system is composed of 23 elementary schools, prekindergarten through Grade 5; nine middle schools, Grades 6-8; and seven high schools, Grades 9-12. Additionally, there are a number of educational centers including an alternative school, an environmental education center, and two early learning centers that serve prekindergarten students.

CCPS policies, procedures, and programs are the responsibility of the nine-member elected Board of Education of Charles County. A student member is elected by their peers annually. The Board of Education appoints the Superintendent of Schools, who is responsible for the day-to-day operations of the school system. Maria v. Navarro, Ed.D., serves as the Superintendent of Schools. She is serving her second term as Superintendent in Charles County.

Special Education. Special education programs are provided for children from birth to age 21. Each public school offers special education and related services. The school system also has a career development program that helps meet the needs of students with disabilities.

Dual language, two-way immersion program. CCPS opened its first dual language, two-way immersion program in 2024. Arthur Middleton Elementary School hosts the initial program for CCPS, with students enrolled in prekindergarten through Grade 1 composing the first cohort of students to participate. These students will transition through the program as it expands through Grades 1 to 5. Full program implementation is anticipated by the 2029-2030 school year.

Career and Technical Education ("CTE"). CCPS offers specialized Career and Technical Education ("CTE") courses. Each high school offers students with opportunities to participate in CTE programs. Several CTE programs are based at North Point High School in Waldorf, and students from across Charles County can apply for admission. The Robert D. Stethem Educational Center also offers CTE programs for students who can apply for enrollment. Additionally, CCPS has expanded its partnership with local businesses and employers to support apprenticeship programs for high school students. CTE and apprenticeship programs offer students a focused curriculum that will lead to college, technical or vocational training or directly to an opportunity in the workforce. The James E. Richmond Science Center is located at St. Charles High School and serves all CCPS students from kindergarten through high school. The center also offers special programs for the public and hosts field trips for out-of-county students.

Early Childhood Education. CCPS provides a pre-kindergarten program at all public elementary schools, and offers a comprehensive early childhood enrichment program.

Blueprint for Maryland's Future: The Blueprint for Maryland's Future legislation passed in 2021. Aiming to accelerate student outcomes while improving the overall quality of education in Maryland, the Blueprint increases education funding by \$3.8 billion a year over the next decade. The focal areas of the Blueprint are: early childhood education; high quality and diverse teachers and leaders; college and career ready pathways; more

resources; and governance and accountability. Part of the school system's implementation of these policy areas includes expansion of the prekindergarten program and an Early College Program option for high school students. The Early College Program provides for high school juniors and seniors to study at the College of Southern Maryland ("CSM") while still enrolled in high school. These students earn credits toward an associate degree. Costs are covered by the school system.

Nonpublic Schools. Fourteen nonpublic schools in the County offer various levels of educational instruction from prekindergarten through secondary levels. The Charles County Board of Education provides transportation to many of these schools without cost to the nonpublic schools.

College of Southern Maryland

The College of Southern Maryland ("CSM") is an open-admissions, comprehensive, regional community college founded in 1958. CSM enhances the lives of residents in the Southern Maryland region through accessible, high-quality instruction and services that support all students along their personal paths to success. CSM strengthens the economic vitality of a diverse and changing region by providing affordable postsecondary education, workforce development, and cultural and personal enrichment opportunities. CSM is an inclusive, student-centered community where all are empowered to succeed. Over 50 percent of tri-county high school graduates who attend higher education institutions come to the College of Southern Maryland. CSM offers more than 100 programs of study and has more than 300 priority enrollment or guaranteed transfer admission agreements with over 70 colleges and universities including the University of Maryland, Towson University, Salisbury University, Virginia Commonwealth University, George Mason University, UMBC, University of Maryland School of Nursing and many more. The staff and faculty at CSM work closely with a diverse student population to provide a rich variety of educational options. CSM offers courses which meet the busy schedules of its students including a mix of online, hybrid, and traditional classroom face-to-face instruction. CSM also offers programs designed for current high school students to include dual enrollment, Early College, and Career and Technical Education. CSM offers courses at four campus locations and several specialty centers in Southern Maryland. CSM is the sixth largest community college in Maryland serving more than 14,000 students annually (credit and non-credit) and is accredited by the Middle States Commission on Higher Education and the Maryland Higher Education Commission.

Other Colleges and Universities.

There are more than 70 accredited institutions of higher education in the Washington, D.C. and Baltimore areas. These include major institutions such as American University; Catholic University; Georgetown University; George Washington University; Howard University; and the University of Maryland, College Park in the Washington D.C. metro region. Baltimore area campuses include The Johns Hopkins University; the University of Maryland, Baltimore County; the University of Baltimore; Loyola University of Maryland; Notre Dame of Maryland University; Towson University; and Morgan State University.

Libraries

The Charles County Public Library ("CCPL") is a community anchor, serving the county through a variety of ways. CCPL consists of four library branches located in La Plata, Indian Head, and two in Waldorf. The library also has a branch located inside the Charles County Detention Center, as well as a 24-hour library kiosk at the Nanjemoy Community Center. CCPL also brings its services directly into the community through a fleet of outreach vehicles including a Mobile Library truck, the Discovery Lab technology focused sprinter van, and a smaller Outreach Van. Each vehicle acts as a "Wi-Fi hotspot" that provides free Internet access throughout the community. The library is open Monday thru Saturday, and is available 24 hours a day, 7 days a week through the library's virtual branch. CCPL offers endless possibilities for discovery through a variety of digital resources, including eBooks, audio books, online newspapers, free movie and music downloads, free online tutoring, research databases and more. CCPL is also part of the Southern Maryland Regional Library

Association, which gives its patrons access to materials from other libraries in the State of Maryland via a daily delivery service. Patrons can connect with library staff for reference services via email, by phone, or in person. The library offers free public computers with high-speed internet connections, free Wi-Fi in all branches and parking lots, and has mobile hotspots for check out that allow users to have internet and computer access outside of the library. Access to databases, podcasting equipment, large scale printers, and specialty computer software is available at the Waldorf West branch. Professional recording equipment for podcasts and music can be found in the Drop the Mic recording studio at the P.D. Brown Memorial branch. The CCPL @ Home blog offers patrons a direct connection to staff through weekly posts on book recommendations, reading lists, tutorials, craft ideas and more. The library provides a wide array of free programming for all ages. Programs are offered monthly and range in topic from arts and crafts, story times, tax prep, employment assistance, music, culture, history, book discussions and more, all at no cost to visitors. The Charles County Public Library is also committed to promoting early literacy amongst its youngest patrons through the Imagination Library of Charles County. This special program provides free books each month to children under five.

Recreation

County Recreation Programs. The Charles County Department Recreation, Parks, and Tourism is responsible for providing countywide recreational and leisure time experiences for the citizens of Charles County, including recreational classes and special events, sports leagues for youth and adults, drop-in programs, therapeutic recreation, and support for the Special Olympics, aquatics programs and swim lessons, summer camps, “Rec Xpress” mobile recreation, trips and tours. Additionally, the Recreation Division operates the Elite Gymnastics and Recreation Center, with various recreational and competitive gymnastics, dance, and fitness classes. The Capital Clubhouse Recreation Center, a year-round county-owned ice-rink and multi-sport facility, is leased and operated by Black Bear Sports Group.

Aquatic Facilities. The Department operates six public swimming pools with year-round aquatics programs offered at three indoor pools and three seasonal locations at outdoor facilities.

Community Centers. The County operates 12 community centers, 10 of which are located within public schools. Each facility has a gymnasium along with other ancillary spaces offering a variety of programs, sports, services, activities, summer camps, and recreational opportunities to persons of all ages. The Centers are focal points within their geographic area that generate a sense of community through interaction and programs. Port Tobacco Recreation Center provides gymnasium access for various sport activities, fitness classes and birthday parties. The Waldorf Senior and Recreational Center is the only stand-alone multi-generational facility serving as both a community center and a senior center. Along with traditional recreation activities, all of the community centers provide less structured programs geared toward developing community relations and providing needed supportive services.

Senior Centers. The County operates four senior centers, which serve as community focal points where older persons come together in an atmosphere of wellness to promote independence and improve their quality of life. Senior centers address the needs of an ever-increasing older population, providing a wide array of services and activities.

Local Management Board (“LMB”). County human service professionals and volunteer Board Members work collaboratively with citizens, government, public and private provider organizations to assure access and availability of quality programs & services that achieve statewide objectives for children, youth, and families, as established in “Maryland’s Results for Child Well-Being.”

County Parks. The County offers residents a wide variety of active and passive recreation and leisure opportunities within its 4,194-acre parks system. Athletic facilities, providing a variety of sports fields (baseball, football, softball, soccer and lacrosse) and three synthetic multi-purpose fields are located throughout the County. Most parks include amenities such as playgrounds and small picnic sites. Public boat launching facilities are available at Mallows Bay Park in Nanjemoy and at additional sites throughout the County. The National Oceanic and Atmospheric Administration has designated an 18-square mile stretch of Maryland's Potomac River Mallows Bay-Potomac River National Marine Sanctuary. It is the first national marine sanctuary designated since 2000 and protects the remnants of 118 World War I-era wooden steamships and vessels as well as other significant maritime heritage resources. Additional facilities include an 18-hole golf course, 18-hole disc golf course, skate park, basketball courts, equestrian show rings and trails, historic Maxwell Hall house, dog parks, various hiking trails and a 13.1-mile paved hiker/biker trail. Charles County and the Maryland Department of Natural Resources have formed a partnership to develop a strategic management plan for a portion of Chapel Point State Park. Chapel Point State Park is a scenic park with a small sandy launch area offering our citizens waterfront opportunities.

Tourism. Explore Charles County is recognized by Maryland Office of Tourism as the official Charles County tourism office. The tourism office is dedicated to showcasing Charles County as a leisure vacation destination for all ages. The primary function of the tourism office is to promote the attractions, accommodations, dining establishments, and events in the county to attract travelers for overnight visitation. The office continues to strive to assist visitors and residents in creating legendary memories while exploring Charles County.

Historic Port Tobacco Village – Stagg Hall. Staff at the Stagg Hall living museum continue to partner with the Society for the Restoration of Port Tobacco to provide engaging, guided tours of the Village to youth, senior groups, visitors, and residents and is an ideal location for retreats, weddings, and team building activities. The collaboration continues to facilitate increased visitor attendance at the Village.

Welcome Center. The Crain Memorial Welcome Center is the official visitor center location of Charles County. Travel counselors help visitors develop custom itineraries, learn about local events, provide directions, or reserve lodging. The facility is a resource to assist residents and visitors plan events, weekend outings, and extended stays in the region.

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CERTAIN SERVICES AND RESPONSIBILITIES

Planning and Zoning

The Charles County Commissioners adopted an updated Comprehensive Plan on July 12, 2016. The Comprehensive Plan provides the necessary goals, objectives and policies to guide future growth, development and preservation over the next twenty to twenty-five years. In addition, the County has developed and adopted three Historic Village Revitalization Plans, one for the Village of Port Tobacco, one for the Village of Hughesville and one for the Village of Benedict. A variety of improvements to implement these plans have taken place over the past several years. However, as with any plan there needs to be an update and Maryland requires an update to the Comprehensive Plan every ten (10) years. In March 2025, the County hired a consultant and has begun the public engagement process to initiate the update to the Comprehensive Plan.

The Comprehensive Plan commits the Board of County Commissioners and the Planning Commission to a policy of managed growth, which directs development to those areas of the County where public facilities and services can be provided efficiently and cost effectively. In 2020 and 2021, the County adopted changes to the Business Park (“BP”) zone in order to create greater flexibility in the regulations and enable the parks to be more successful as markets change. The County has also promoted several legislative changes since 2014 to promote conservation and limit growth in areas that are considered sensitive or have limited public services (roads, water and sewer). These measures include the “Septic Tiers Map” which delineate the areas of the County where development can occur on private septic systems versus those serviced by public sewer, as well as the adoption of the Watershed Conservation District Zoning amendment to further protect the natural resources of the Mattawoman and Port Tobacco watersheds. Additionally, the County expanded the Zekiah Rural Legacy area by 30,000 acres, making those lands eligible for protection by conservation easement. The County also had the Nanjemoy Rural Legacy Area approved by the state, which makes approximately 65,000 additional acres eligible for protection by conservation easement.

Primary responsibility for the implementation and revision of the Comprehensive Plan and the Zoning Ordinance is vested in the Charles County Planning Commission. The Planning Commission was created by the Board in 1958 pursuant to State enabling legislation and consists of seven members appointed by the Board to four-year terms. The County Department of Planning and Growth Management administers the Comprehensive Plan, the Zoning Ordinance, the Subdivision Regulations and related ordinances affecting development.

The development philosophy of the County is one of growth management intended to maintain a controlled and moderate pace of growth and development in order to preserve, to the greatest extent possible, the present character of the County while guiding future growth into an efficient and serviceable pattern. This is coupled with significant effort to encourage economic development through commercial and industrial projects. The County has determined that such a philosophy is necessary to cost-effectively sustain adequate levels of public services and facilities in the form of schools, transportation networks, sewer, water, police, fire and health care services which will be required to support present and future residents. Through the use of an adequate public facility ordinance, school excise tax, school allocation policy and the capital improvement program, the County implements a policy of providing public facilities, particularly roads and schools, at the time development occurs.

The Zoning Ordinance divides the land area of the County into 25 zones. Eight zones are committed for basic residential use. One office residential zone allows low scale commercial uses while maintaining residential uses and character. In 2005, three new mixed-use zones were adopted for the Bryans Road area. In 2010, the County adopted two new mixed-use zones for the Waldorf area to promote higher density, transit-oriented development. Five commercial zones are utilized with one being exclusively for business parks. There are two zones devoted to industrial uses, general and heavy. The remaining five zones are floating zones which are utilized for planned development. These include residential, mixed use, employment parks, transit-oriented development and mobile home parks. In 2025, the County rezoned 200 acres surrounding Maryland Airport to an Aviation Business Park Zone to facilitate commercial development. The Zoning Ordinance also employs extensive use of

the clustering concept. There are incentives provided for implementation of the goals and objectives of the Comprehensive Plan, particularly in relationship to the floating zone process. The Planning Division is in the midst of updating the Zoning Ordinance and has hired a consultant to facilitate that process. Adoption of the new Zoning Ordinance is expected near the end of 2026.

Police and Fire Protection

The major law enforcement agency in the County is the Charles County Sheriff's Department, which is authorized to employ 338 officers for fiscal year 2025. Other law enforcement agencies in the County are the La Plata police force (28) and the Maryland State Police (29 sworn). The combined strength of the three law enforcement agencies is 395 officers or roughly 2.3 law enforcement officers per 1,000 County residents for fiscal year 2025.

There are 12 volunteer fire departments, 14 volunteer emergency medical service organizations and one volunteer dive-rescue team in Charles County operating out of nineteen stations located strategically throughout the County. Operating and capital funding for the volunteer companies is provided primarily through a County Fire and Rescue Tax. See "REVENUES OF THE COUNTY – Special Fire and Rescue Tax". Of the 18 stations six, as well as one volunteer independent dive/rescue company, provide services for maritime related emergencies. The volunteer service also provides specialized teams strategically placed throughout the County for High Angle Rescue, Surface Water Rescue, Confined Space Rescue and Collapse Rescue. Communications for County 911/Fire/EMS and Police activities are maintained at the Public Safety Answering Point ("PSAP") in the Department of Emergency Services 911 Communications Center located in La Plata which is staffed 24/7.

The Department utilizes NextGen 911, Geographic Information Systems ("GIS"), and Computer Aided Dispatch ("CAD") Systems to process incoming 911 calls and to assist in dispatching the appropriate emergency response assets. All Fire/EMS, Police Dispatchers and 911 Call Takers are licensed by the State of Maryland at the Emergency Medical Dispatch level as Emergency Dispatchers and all are certified Internationally as Emergency Medical Dispatch, Emergency Fire Dispatch and Emergency Police Dispatch by the International Academy of Emergency Dispatch ("IAED"). The County operates an 800 MHZ public safety communications system for use by emergency responders as well as general government personnel. The Department of Emergency Services includes divisions for Emergency Management, 911 Public Safety Communications, Animal Care and Control, False Alarm Reduction Unit and career Emergency Medical Services as well as the Special Operations Division. The Special Operations Divisions consists of the following special teams: Hazardous Materials Team ("HazMat"), Mobile Integrated Health Team ("MIH"), Tactical Emergency Medical Services ("TEMS"), Marine Unit Support, and Critical Incident Stress Management ("CISM").

Ambulance/Emergency Medical Services

Emergency Medical Services (EMS) are provided 24/7 through a combination career/volunteer system comprised of 15 fire/EMS stations that provide basic and advanced life support services to the community. Twelve of these stations are staffed with career EMS clinicians which provide both basic and advanced life support ("BLS/ALS") services 24/7. All EMS clinicians' function under the direction of the County's Jurisdictional Medical Director. EMS transport units are capable of consulting with medical facilities throughout the region/state by utilizing a communications system which is operated and maintained by the Maryland Institute for Emergency Medical Services System ("MIEMSS"). Aeromedical transport is primarily provided by the Maryland State Police Aviation Command with back-up services provided by U.S. Park Police and several commercial air transport services in the region. The combined EMS system in Charles County is designed to deliver emergency medical services and care to the citizens within the Medical Director's adopted performance measurement standards for BLS and ALS services based off of the National Fire Protection Association 1920 and American Heart Association standards, respectively. All adopted performance measurements are monitored using real time, live data on a daily basis and reported/compared monthly to stakeholders using a data management tool adopted by the partner jurisdictions within the National Capital Region. In addition, the County has developed an online dashboard to communicate to the public response statistics updated on a monthly basis.

Disaster Response and Recovery

The Department of Emergency Services is responsible for emergency preparedness, career emergency medical services, the false alarm reduction unit, animal care and control, 9-1-1 public safety communications, hazardous materials response team, and the mobile integrated health team. Its mission is to protect the safety, health and well-being of the community by coordinating and directing disaster preparedness planning, risk mitigation, 24-hour-a-day response, emergency communications systems, and incident recovery activities.

The Emergency Management Division is responsible for developing, coordinating and promoting a comprehensive emergency management program incorporating mitigation, planning, preparedness, response, and recovery activities relative to emergencies or disasters whether natural or man-made.

Climate Change

Leading the State in Climate Change Preparedness

The County has identified the impacts of climate change within its geographic boundaries, is building unprecedented competency for climate-smart decision-making among its workforce, reorganized to most efficiently address the problem, identified and proactively took action to reduce carbon emissions while lowering fixed expenses and attracting outside investment, and is providing a leading voice for local government in the state-wide climate change discussion. The whole-of-government approach of the Charles County Climate Preparedness Program addresses an increasingly acute community challenge using a multifaceted approach to climate issues facing the county by utilizing best management practices to enhance the resilience of local communities, economies, and natural resources.

Our mitigation measures include:

- The development of a Climate Action Plan to reduce carbon emissions county-wide through best practices, behavior changes, and educating our residents on climate-related issues. As part of this process, a greenhouse gas (“GHG”) emissions inventory was conducted for County operations, which identified solid waste facilities and water/wastewater treatment facilities as the largest sources of GHG emissions. Strategies to reduce GHG emissions for these facilities, as well as for the vehicle fleet, the transit bus fleet, and government buildings, have been drafted. Engagement with the community and stakeholders’ groups has been taking place over the last several months, which has aided in the development of the draft strategies to reduce GHG emissions across a variety of sectors within the community.
- Working to build a network of electric vehicle charging stations in publicly accessible locations throughout the County. Eighteen charging stations are currently up and running, of which fifteen were installed through a partnership with SMECO. Two of these stations are DC fast chargers.
- Working with the Department of Energy through an Energy Efficiency Conservation Block Grant (“EECBG”) for technical assistance to assess several County-owned buildings to determine what upgrades will be necessary to transition the County’s vehicle fleet to electric.

Our adaptation measures include:

- Climate Ambassador Training is in the works for staff members in 85 positions for which the County has made climate competency mandatory by including it as a necessary skill in their job descriptions. This training will also be made available to all staff at County government. Training opportunities for staff members will be expanded over time.
- The County is partnering with the University of Maryland, the Resilience Authority, and other jurisdictions around the State to launch the Maryland HydroNet, a project of the University of Maryland's Climate Resilience Network to establish a statewide network of sea-level monitoring sensors. The HydroNet network consists of six sensors currently, two of which are up and running in Charles County with a third in the process of being installed. Additional sites are planned in Charles County and around the State. Installing the sensors could help local leaders better predict when, where, and how much flooding could occur in each area to combat the effects of climate change.
- Charles County Government, the Resilience Authority of Charles County, Inc., and the University of Maryland Center for Environmental Science released the first-ever Charles County, MD Climate Adaptation Report Card. This report card offers a comprehensive snapshot of county-level resilience to climate-related threats, including flooding and extreme heat, and measures the progress of the County's significant investments to date in building a more resilient community. Adapting to the ever-increasing threats of climate change is essential for Charles County, and numerous County and community initiatives are focused on addressing this challenge. This report card quantifies the resilience already reached through these efforts, along with the County's vulnerability to specific threats. It provides recommendations to help prioritize adaptation actions that will build resilience into the future. This is the first such report card to assess resilience and vulnerability indicators simultaneously, informing prioritization. Overall resilience in Charles County received a score of **B-**. Three categories of resilience indicators were assessed: Environment, Human Well-being, and Flooding. The assessment found that while the County has achieved resilience in some areas, there is still work to be done.

Residential Stormwater Drainage Improvement Program

Background

Charles County Government has received hundreds of drainage related complaints over the last few years from residents as a result of an increase in frequency and intensity of extreme weather events. One such storm occurred in July 2019, in which three to four inches of rain fell over a period of just a few hours in many parts of the County causing major flooding. Further, 2018 was the wettest year on record with more than 60 inches of rain that fell in the County, which is about 20 inches more than average annual rainfall totals for this area. The increase in extreme weather events is expected to continue, and even worsen in the future, primarily due to climate change.

When extreme weather occurs, some residents may experience stormwater drainage issues and flooding that can impact their properties. There are numerous reasons why these kinds of issues can occur, such as:

1. A residential development or property that was developed prior to current stormwater drainage regulations may not have any existing storm drainage infrastructure to capture stormwater runoff and convey it away from the development or property; or

2. A residential development or property may have existing stormwater drainage infrastructure in place, but it may have reached the end of its useful life, or surpassed it, and is now failing and in need of repair or replacement; or
3. A residential development or property may have existing stormwater drainage infrastructure in place, but it may not be adequately sized to handle stormwater volumes from extreme precipitation events.

In an effort to improve climate resiliency throughout the County, Charles County Government and the Resilience Authority of Charles County are working together to address this problem by creating a Residential Stormwater Drainage Improvement Program (RDIP).

Program Details

The intent of the RDIP is for Charles County Government to begin to address the widespread and growing problem of drainage and flooding issues on residential property. The County is seeking to assume responsibility of stormwater drainage conveyance systems on privately-owned residential properties, and primarily those that drain a publicly-owned property or right-of-way.

This program will initially focus on manmade stormwater drainage conveyance systems (ditches, pipes, outlets, etc.) that generally meet the following criteria:

- Located on private property within an existing residential subdivision.
- Drain a publicly-owned right-of-way or property, such as a public road.
- Pre-date the County's current Storm Drainage Ordinance.
- Not located within a County-owned easement.
- Have no maintenance agreement in place.

For Charles County Government to assume responsibility of these systems in perpetuity, residents and homeowner's associations will be required to provide an easement to the County. This is to ensure that the County has access to the systems to conduct the necessary repairs and long-term maintenance.

The focus of this program will continue to evolve over time as the County gains a better understanding of the scope and complexity of the drainage and flooding issues. It should be noted that some systems on privately-owned properties will need to be addressed on a case-by-case basis if they have life safety issues or other extenuating circumstances.

Progress to Date

Currently, out of 109 projects that have been identified through the assessment process, 46 are in the design phase. The Infrastructure Management Division within the Department of Planning and Growth Management is managing 44 of these projects, while the remaining two are being overseen by the Capital Services Division of the Department of Public Works. Twenty-two of the projects in design are currently under review by the County, and nine have received full approval and permitting.

Funding is supported in large part by the County's allocation of American Rescue Plan Act (ARPA) funds. Approximately \$16.2 million, representing about 51 percent of the County's total ARPA allocation, has been designated for this program. To date, \$5.3 million has been spent on project design, with an average design cost of approximately \$118,371 per project.

The County is utilizing existing engineering and construction services contracts to manage the delivery of these projects through task orders. To promote efficiency, contracting thresholds have been established, and an expedited internal review process has been implemented. Additionally, the County worked closely with the Soil Conservation District to develop a streamlined review and permitting process, which has contributed significantly to maintaining momentum.

Community engagement remains a central component of the program. Property owners in affected areas are consulted throughout the process to discuss both temporary and permanent impacts. Their input helps inform the development of design solutions, and they are kept informed regarding easement requirements, including temporary construction easements and perpetual easements, as well as respective responsibilities between the County and the property owners.

Looking ahead, the RDIP will continue to play a critical role in addressing the County's aging and often inadequately maintained storm drainage infrastructure. Many of the existing systems in older neighborhoods were either never formally accepted by the County or have significantly deteriorated over time. The program offers a structured, long-term approach to upgrading these systems to ensure they are safe, functional, and maintainable. Construction has already begun on three of the approved projects, marking a major milestone in program implementation. An additional six projects are currently awaiting final easement acquisition and will be bid out for construction once those are secured. At the same time, the County is preparing to initiate design work on the second round of prioritized projects within the next two months. With 109 projects identified and prioritized based on severity, equity, and potential environmental benefits, the County remains committed to systematically progressing through the list. Continued funding through annual budgets, as well as through grants in partnership with the Resilience Authority of Charles County, and phased implementation will allow the program to steadily reduce the backlog of drainage concerns while enhancing public safety, protecting property, and increasing community resilience.

Resilience Authority of Charles County

The Resilience Authority of Charles County ("Resilience Authority") is a nonprofit organization that, as a government instrumentality, responds to the impacts of climate change in communities across Charles County, Maryland. The Resilience Authority's vision is to set a national example of climate resilience grounded in environmental justice by accelerating the pace and scale of climate resilience projects. Through government, education, nonprofit, and private partnerships, the Resilience Authority turns climate change challenges into opportunities to create resilient communities for everyone in Charles County.

In 2023, the Resilience Authority hired its first Executive Director, greatly expanded its project portfolio, and began pursuing funding for its projects. In 2024, the Resilience Authority successfully secured funding for 100% of its 2023 Implementation Project Portfolio in underserved and overburdened communities that are most vulnerable to the effects of climate change. In 2025, the Resilience Authority achieved the cumulative milestones of 1) securing a total of \$5.7 million for equitable nature-based climate resilience projects across Charles County, and 2) employing and providing climate resilience career development for local high school students and young adults for three years as part of our Charles County Resilience Authority Youth Corps.

Cybersecurity

The County's approach to cybersecurity has centered around training for security staff, implementing technology tools to bolster the County's cybersecurity program, ensuring that security policies and procedures are current and relevant to today's industry standards, and building partner relationships with other agencies, jurisdictions and associations for knowledge sharing and incident support.

Refuse Collection

The Towns of La Plata and Indian Head maintain regular municipal trash and garbage collection services. Persons not served by municipal trash and garbage collection must contract with one of the several commercial trash companies that operate within the County.

Solid Waste Management

Presently, the County owns and operates a “Subtitle D” landfill in the Waldorf area. This 114-acre site opened on July 1, 1994. Its design allows for the construction of four independent cells. Only waste which originates within the boundaries of the County is eligible to be received at this facility. A combination of actions (recycling and bans on delivery of yard waste and construction and demolition debris to the site) has extended the estimated useful life of the facility.

Recycling

The County is required by State law to recycle at least 35% of its solid waste stream. At the end of calendar year 2023, the County achieved a 43.33% waste diversion rate. The recycling program consists of curbside collection of more than 51,690 households, and four recycling centers.

Building & Trades

The Buildings & Trades Division is responsible for the efficient operation and maintenance of 162 county government facilities, covering more than two million square feet. A team of dedicated professionals maintains facilities to operate at peak efficiency and preserve investments in capital assets, performs preventive maintenance that is cost effective and prevents failures of facility components and equipment, and sustains a safe and healthy environment for facility occupants and visitors. The division also performs capital improvement projects under \$25,000 to include new construction and renovation of existing facilities.

Fleet and Inventory Management

The Fleet & Inventory Management Division evaluates, repairs, and maintains the County’s fleet of over 1,400 tagged and non-tagged vehicles and equipment which includes, but is not limited to, sedans, sport utility vehicles, vans, small and mid-size trucks, dump trucks, chainsaws, and tractors. The technical and professional services performed by Fleet & Inventory Management include the diagnosis and repair of vehicles and equipment; procurement and disbursement of stocked inventory valued at \$1,600,000; registration and title processing for vehicles and equipment; management of the records and systems that track and report inventory, fleet, and fuel activities; and recommendation and coordination for acquisitions and disposals of vehicles and equipment.

Utilities

Electricity. Southern Maryland Electric Cooperative (“SMECO”) is a customer-owned, non-profit electric distribution cooperative serving 1,150 square miles in Southern Maryland, including all of Charles and St. Mary’s Counties, southern Prince George’s County, and all but the northeastern portion of Calvert County. Founded in 1937, SMECO has more than 178,000 meters in place and is among the largest electric co-ops in the nation.

Competitive Power Venture (“CPV”) owns the CPV St. Charles Energy Center located in Waldorf. The facility is a highly efficient, 745 megawatts technologically advanced combined-cycle natural gas electric generating facility. CPV pays for treated, reclaimed water from the County for the cooling process which reduces the amount of wastewater sent back to the Potomac River.

Natural Gas. Washington Gas Light Company (the “Company”) provides natural gas service to more than 1.2 million customers in metropolitan Washington, D.C. and parts of Maryland and Virginia. The company has a consolidated net investment in property, plant and equipment of approximately \$6.1 billion.

Water. The greater Waldorf area, St. Charles, Pinefield, Bensville, and White Plains area communities obtain water from a public water system owned and operated by the County. The water for this system is supplied from 16 deep wells and a water main connection to the Washington Suburban Sanitary Commission (“WSSC”) off Bealle Hill Road. Maximum water production capacity from these wells is about 10 million gallons per day. Present water storage capacity is 7.75 million gallons which is being provided by six elevated storage tanks. The average usage of water for this system is about 5.7 million gallons per day.

As the County’s population continues to grow, the County is diversifying its drinking water resources, to include additional surface water supplies, which provides flexibility as demand increases while preserving precious groundwater resources. In June 2022, the County executed an addendum to the water agreement with the Washington Suburban Sanitary Commission (“WSSC”) which allows the purchase of up to 6.4 million gallons per day of WSSC water, as a means of resting the County’s aquifers, and securing potable water for future growth needs. Today, WSSC supplies approximately 15% of the County’s water supply for the Waldorf water system, our largest service area.

To make these plans a reality, the County has funded short and long-term capital projects for water supply, including the water main from a new WSSC connection over the next five years, as well as site planning for a potential surface water treatment plant along the Potomac River. The new river water treatment facility would provide a significant drinking water resource to support future growth and development across the County’s Development District.

In addition to the larger Waldorf and Bryans Road water systems, there are 16 other individual community water systems owned and operated by the County, which are located throughout all geographical areas of the County. The average use for these systems combined is about 0.6 million gallons per day.

There are approximately 30 community water systems throughout the County, which are owned and/or operated by private utility companies or neighborhood associations. For those areas of the County not served by a community water system, individual wells are used for water supply.

The incorporated Town of La Plata is served by their own municipal water system, which obtains its water from six deep well sources. Maximum water production capacity is about 3.484 million gallons per day. Present water storage capacity is 2.1 million gallons which is provided by three elevated and one ground level storage tanks. The average usage of water for this system is about 0.85 million gallons per day.

The incorporated Town of Indian Head is also served by their own municipal water system, which obtains its water from four active wells with a combined maximum water production capacity of about 0.642 million gallons per day. Present water storage capacity is 0.49 million gallons which is provided by two elevated storage tanks and one ground level storage tank. The average usage of water for this system is about 0.280 million gallons per day.

Sewage Collection and Treatment. In the greater Waldorf area, St. Charles, White Plains, Bryans Road, and the Bensville area, the County owns and operates a series of collector sewers and pumping facilities. The collected wastewater from these areas all flow to the County's Mattawoman Water Reclamation Facility ("Mattawoman WRF") located in Mason Springs. The facility is an enhanced nutrient removal ("ENR") system with tertiary treatment. The facility was one of the first of Maryland's sixty-seven major wastewater treatment systems to accomplish this in advance of the milestone (Calendar Year 2010) established in the Chesapeake Bay's Tributary, Maryland Point Source Strategy for Enhanced Nutrient Removal Implementation. The original concept of the plant envisioned an ultimate capacity through expansions of 50.0 million gallons per day. The Maryland Department of the Environment (MDE) has rated the Mattawoman WRF for 20 million gallons per day. The average flow being treated is currently about 13 million gallons per day. The towns of La Plata and Indian Head also have central sewage systems to service their citizens.

The County also owns and operates five other sewage collection systems and wastewater treatment facilities. These are located at Bel Alton, Mount Carmel Woods, Clifton, Swan Point, and Cobb Island. The total treatment capacity for all five facilities combined is 0.581 million gallons per day. The average flow to these facilities is about 0.180 million gallons per day.

Areas of the County that are not served by a central sewer system and/or wastewater treatment facility are provided sewer service by means of septic tanks and drain fields. The solids that accumulate in these septic tanks are typically pumped and hauled to the County's Mattawoman WRF for treatment and disposal. All sludge generated by County treatment facilities is dewatered at the Mattawoman WRF and most is then land applied for beneficial reuse.

INDEPENDENT AUDITORS

The financial statements as of June 30, 2024, and for the year then ended, included in Appendix A of this Official Statement, have been audited by CliftonLarsonAllen, LLC, independent certified public accountants, as stated in their report included therein. Such financial statements are included in reliance upon the report of CliftonLarsonAllen, LLC. The independent accountants were not requested to review or update such financial statements or their report in connection with the issuance of the Bonds and such report speaks only as of its date. The independent accountants have not performed any audit procedures subsequent to the date of their report and have not audited any financial statements of the County as of any date, or for any period, subsequent to June 30, 2024.

FINANCIAL ADVISOR

Davenport & Company LLC, Towson, Maryland (the "Financial Advisor") is a registered municipal advisor with the Municipal Securities Rulemaking Board and serves as financial advisor in connection with the issuance of the Bonds and other matters related to the County's finances. The Financial Advisor has not been engaged, nor has it undertaken, to audit, authenticate or otherwise verify the information set forth in this Official Statement, or any other related information available to the County, with respect to accuracy and completeness of disclosure of such information. The Financial Advisor makes no guaranty, warranty or other representation respecting the accuracy and completeness of this Official Statement or any other matter related to the Official Statement.

SALE AT COMPETITIVE BIDDING

The Bonds were offered by the County at a competitive sale on November 18, 2025, in accordance with the official Notice of Sale (the form of which is attached hereto as Appendix C). The interest rates shown on the inside cover page of this Official Statement are the interest rates to the County resulting from the award of the Bonds at the competitive bidding. The yields shown on the inside cover page of this Official Statement have been furnished by the successful bidder for the Bonds. All other information concerning the nature and terms of any reoffering should be obtained from the successful bidder for the Bonds and not from the County.

CERTIFICATE CONCERNING OFFICIAL STATEMENT

Simultaneously with or before delivery of and payment of the Bonds, the initial purchaser or purchasers thereof shall be furnished a certificate or certificates of appropriate County officials to the effect that, to the best of their knowledge and belief, the Official Statement (and any amendment or supplement thereto) as of the date of sale and as of the date of delivery of the Bonds does not contain any untrue statement of a material fact and does not omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; and that between the date of sale and the date of delivery of the Bonds there has been no material adverse change in the financial position or revenues of the County except as reflected or contemplated in the Official Statement (and any amendment or supplement thereto).

AUTHORIZATION OF OFFICIAL STATEMENT

The execution of this Official Statement and its delivery have been duly authorized by the County.

COUNTY COMMISSIONERS OF
CHARLES COUNTY

By: /S/ REUBEN B. COLLINS, II, ESQ.

Reuben B. Collins, II, Esq.

President

ANNUAL COMPREHENSIVE FINANCIAL REPORT FOR THE YEAR ENDED JUNE 30, 2024

The County incorporates by reference in this Official Statement the County's Annual Comprehensive Financial Report for the Year Ended June 30, 2024, which has been submitted to the Municipal Securities Rulemaking Board's Electronic Municipal Market Access system and can be viewed at emma.msrb.org by searching CUSIP No. 159808 or on the County's website at:

<https://www.charlescountymd.gov/home/showpublisheddocument/27552/638791796111400000>

The County's financial statements are prepared in accordance with U.S. generally accepted accounting principles (GAAP) as applied to state and local government units as prescribed by the Governmental Accounting Standards Board (GASB).

FORM OF APPROVING OPINION OF BOND COUNSEL

December 3, 2025

County Commissioners of Charles County
La Plata, Maryland

\$68,825,000
County Commissioners of Charles County
Consolidated Public Improvement Bonds of 2025

Ladies and Gentlemen:

We have acted as bond counsel to the County Commissioners of Charles County (the “County”) in connection with the issuance by the County of its \$68,825,000 Consolidated Public Improvement Bonds of 2025 (the “Bonds”).

In connection with this opinion, we have examined (i) the Constitution of the State of Maryland (the “State”), (ii) the applicable laws of (A) the State and the County, including, without limitation, the provisions of Section 97-1 of the Code of Charles County (2013 Edition, as amended), Section 19-101 of the Local Government Article of the Annotated Code of Maryland, as amended, Sections 19-501 through 19-510, inclusive, of the Local Government Article of the Annotated Code of Maryland, as amended, Bill No. 2025-01, Sections 19-615 and 19-616 of the Local Government Article of the Annotated Code of Maryland, as amended, and Chapter 249 of the Code of Charles County (2013 Edition, as amended) (collectively, the “Acts”), Resolution No. 2025-15 adopted by the County on September 30, 2025 (the “Authorizing Resolution”), and Resolution No. 2025-17 adopted by the County on November 18, 2025 (the “Supplemental Resolution” and, together with the Authorizing Resolution, the “Resolutions”) and (B) the United States of America, including, without limitation, the Internal Revenue Code of 1986, as amended (the “Code”), and (iii) copies of proceedings and other documents relating to the Bonds as we deem necessary to render this opinion.

As to questions of fact material to our opinion, we have relied upon the certified proceedings and other certifications of public officials furnished to us, without undertaking to verify the same by independent investigation.

We have assumed the accuracy and truthfulness of all public records and of all certifications, documents and other proceedings examined by us that have been executed or certified by public officials acting within the scope of their official capacities, and we have not independently verified the accuracy or truthfulness thereof. We have also assumed the genuineness of the signatures appearing upon such public records, certifications, documents and proceedings.

We have also assumed the authenticity of all documents submitted to us as originals, the genuineness of all signatures, the conformity to original documents of all documents submitted to us as certified or photostatic copies and the authenticity of the originals of such latter documents.

We are qualified to practice law in the State, and we do not purport to be experts on, or to express any opinion herein concerning, any law other than the law of the State and the federal law of the United States of America.

Based on the foregoing, we are of the opinion that, under current law:

1. The County is a validly existing body corporate and politic and a political subdivision of the State, possessing authority under the laws of the State, the Acts and the Resolutions to issue the Bonds.
2. The Bonds have been duly authorized and legally issued in accordance with the Constitution and Public Laws of the State, including the Acts and the Resolutions.
3. The Bonds are valid and legally binding general obligations of the County to which the County's full faith and credit and unlimited taxing power are pledged to the payment of the principal of and interest on the Bonds, as and when such principal and interest become due and payable.
4. To provide for the payment of the principal of and interest on the Bonds, the County has, by the adoption of the Resolutions, covenanted to levy ad valorem taxes on all the legally assessable property within the corporate limits of the County in rate and amount sufficient for that purpose in each fiscal year in which provision must be made for the payment of such principal and interest.
5. Under current law, interest on the Bonds (i) is excludable from the gross income of the owners of the Bonds for purposes of federal income taxation under Section 103 of the Code and (ii) is not a specific item of tax preference for purposes of the federal alternative minimum tax on individuals. However, such interest is included in the "adjusted financial statement income" (as defined in Section 56A of the Code) of certain corporations in determining the applicability and amount of the federal corporate alternative minimum tax imposed under Section 55(b) of the Code. We express no opinion regarding other federal tax consequences arising with respect to the Bonds.

In providing the opinions set forth in this paragraph 5, we are assuming continuing compliance with the Covenants (as hereinafter defined) by the County. The Code and the regulations promulgated thereunder contain a number of requirements that must be satisfied after the issuance of the Bonds in order for interest on the Bonds to be and remain excludable from gross income for purposes of federal income taxation. These requirements include, by way of example and not limitation, restrictions on the use, expenditure and investment of the proceeds of the Bonds and the use of the property financed or refinanced by the Bonds, limitations on the source of the payment of and the security for the Bonds, and the obligation to rebate certain excess earnings on the gross proceeds of the Bonds to the United States Treasury. The Non-Arbitrage Certificate and Tax Covenants of even date herewith executed and delivered by the County (the "Tax Certificate") contains covenants (the "Covenants") under which the County has agreed to comply with such requirements. Failure by the County to comply with the Covenants could cause interest on the Bonds to become includable in gross income for federal income tax purposes retroactively to the date of issue of the Bonds. In the event of noncompliance with the Covenants, the available enforcement remedies may be limited by applicable provisions of law and, therefore, may not be adequate to prevent interest on the Bonds from becoming includable in gross income for federal income tax purposes. We have no responsibility to monitor compliance with the Covenants after the date of issue of the Bonds.

Certain requirements and procedures contained, incorporated or referred to in the Tax Certificate, including the Covenants, may be changed and certain actions may be taken or omitted under the circumstances and subject to the terms and conditions set forth in the Tax Certificate. We express no opinion concerning any effect on the excludability of interest on the Bonds from gross income for federal income tax purposes under Section 103 of the Code of any such subsequent change or action that may be made, taken or omitted upon the advice or approval of counsel other than this firm.

6. Under existing law of the State, the principal of and interest on the Bonds are exempt from State and local taxes in the State; however, the law of the State does not expressly refer to, and no opinion is expressed concerning, estate or inheritance taxes, or any other taxes not levied directly on the principal of or interest on the Bonds.

The rights of any owner of the Bonds and the enforceability of the Bonds may be subject to (a) any applicable bankruptcy, insolvency (including, without limitation, laws relating to preferences and fraudulent transfers or conveyances), reorganization, moratorium and other similar laws affecting creditors' rights generally, (b) the effect of general principles of equity (regardless of whether considered in a proceeding in equity or at law), including, without limitation, concepts of materiality, reasonableness, good faith and fair dealing, and (c) the valid exercise of constitutional powers of the United States of America and of the sovereign police and taxing powers of the State or other governmental units having jurisdiction.

Our services as Bond Counsel to the County have been limited to rendering the foregoing opinions based on our review of such legal proceedings and other documents as we deem necessary to approve the validity of the Bonds and tax-exempt status of the interest thereon. We express no opinion as to the accuracy, completeness or sufficiency of any offering material or information, including the Official Statement relating to the Bonds, that may have been relied upon by any owner of the Bonds in making a decision to purchase the Bonds.

This opinion is delivered solely for your benefit in connection with the issuance of the Bonds and may not be relied upon by any other person or for any other purpose without our prior written consent in each instance. This opinion is given as of the date hereof, and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention, or any changes in law that may hereafter occur.

Very truly yours,

OFFICIAL NOTICE OF SALE

CHARLES COUNTY, MARYLAND
NOTICE OF SALE OF
\$69,240,000*
COUNTY COMMISSIONERS OF CHARLES COUNTY
CONSOLIDATED PUBLIC IMPROVEMENT BONDS OF 2025
General Obligation Bonds
Dated: Date of Initial Delivery

Electronic bids via **PARITY®** will be received by the Director of Fiscal and Administrative Services on behalf of the Board of County Commissioners of Charles County at the Department of Fiscal and Administrative Services office (Room A107), Charles County Government Building, 200 Baltimore Street, La Plata, Maryland 20646, until 10:30 a.m. local time on Tuesday,

November 18, 2025

for the purchase of the above-designated bonds (the “Bonds”) of County Commissioners of Charles County (the “County”).

Terms of the Bonds

The Bonds are all dated their date of initial delivery, and bear interest payable semiannually on April 1 and October 1, commencing April 1, 2026, until maturity or earlier redemption thereof. The Bonds mature, subject to prior redemption, on October 1 in the years and amounts as follows:

<u>Year of</u> <u>Maturity</u>	<u>Principal</u> <u>Amount*</u>	<u>Year of</u> <u>Maturity</u>	<u>Principal</u> <u>Amount*</u>
2026.....	\$2,730,000	2041.....	\$705,000
2027.....	2,870,000	2042.....	735,000
2028.....	3,010,000	2043.....	765,000
2029.....	3,170,000	2044.....	795,000
2030.....	3,330,000	2045.....	830,000
2031.....	3,500,000	2046.....	865,000
2032.....	3,680,000	2047.....	900,000
2033.....	3,865,000	2048.....	940,000
2034.....	4,065,000	2049.....	980,000
2035.....	4,275,000	2050.....	1,025,000
2036.....	3,675,000	2051.....	1,070,000
2037.....	3,860,000	2052.....	1,120,000
2038.....	4,060,000	2053.....	1,165,000
2039.....	4,270,000	2054.....	1,220,000
2040.....	4,490,000	2055.....	1,275,000

*Preliminary, subject to adjustment as provided herein.

Adjustments

The aggregate principal amount and the principal amount of each maturity of the Bonds are subject to adjustment by the County, both before and after the receipt of bids for their purchase. Changes to be made prior to the sale will be published on Parity/www.i-dealprospectus.com or TM3 News Service not later than 9:30 a.m. prevailing Eastern time on the date of sale and will be used to compare bids and select a winning bidder. Changes to be made after the sale will be communicated to the successful bidder by 4:00 p.m. prevailing Eastern time on the date of the sale and will not reduce or increase the aggregate principal amount of the Bonds by more than 15% of the bid by the successful bidder. In no case will the aggregate principal amount be greater than \$75,000,000. The dollar amount bid for principal by the successful bidder shall be adjusted to reflect any

adjustments in the aggregate principal amount of the Bonds to be issued. The coupon rates specified by the successful bidder for all maturities will not change. Such changes may result in the elimination of one or more maturities of the Bonds. The successful bidder may not withdraw its bid as a result of any changes made within these limits.

Authorization

The Bonds will be issued under the authority of Section 97-1 of the Code of Charles County (2013 Edition, as amended) (the “Code of Charles County”), Section 19-101 of the Local Government Article of the Annotated Code of Maryland, as amended (the “Local Government Article”), Sections 19-501 through 19-510, inclusive, of the Local Government Article, Bill No. 2025-01, Sections 19-615 and 19-616 of the Local Government Article, and Chapter 249 of the Code of Charles County, a Resolution of the Board of County Commissioners of Charles County (the “Board”) adopted on September 30, 2025, and a Resolution of the Board expected to be adopted on November 18, 2025 (together, the “Resolution”). The net proceeds of the Bonds, together with funds from other sources, will be used to provide financing, refinancing or reimbursing for the acquisition, planning, design, construction, repair, renovation, reconstruction, alteration and equipping of certain buildings, facilities, equipment and grounds in Charles County, Maryland.

Security for the Bonds

The full faith and credit and unlimited taxing power of the County are irrevocably pledged to the payment of the maturing principal of and interest on the Bonds as and when such principal and interest respectively mature.

Optional Redemption

The Bonds maturing on or before October 1, 2035 are not subject to redemption prior to their maturities. The Bonds maturing on or after October 1, 2036, are subject to redemption at any time on or after October 1, 2035, as a whole or in part, at the option of the County, at a redemption price equal to 100% of the principal amount of the Bonds to be redeemed, plus accrued interest thereon to the date fixed for redemption.

If less than all of the Bonds are to be redeemed, the particular maturities to be redeemed shall be selected by the County. If selection by lot within a maturity is required, Manufacturers and Traders Trust Company (the “Registrar” and “Paying Agent”), shall by random selection of the names of the registered owners of the entire annual maturity select the Bonds to be redeemed until the total amount of Bonds to be redeemed has been reached, except that so long as The Depository Trust Company, New York, New York (“DTC”), or its nominee is the sole registered owner of the Bonds, the particular Bonds or portion to be redeemed shall be selected by lot by DTC, in such manner as DTC shall determine. Each \$5,000 portion of a Bond shall be treated as a separate Bond in the selection by lot of Bonds to be redeemed. If the County elects to redeem all or a portion of the Bonds outstanding, it shall deliver a redemption notice to DTC not less than 30 days prior to the date fixed for redemption (or such fewer number of days as shall be acceptable to the Depository) by a secure means as prescribed in the Resolution. If the book-entry system is discontinued for the Bonds, the County shall give a redemption notice by letter mailed first class, postage prepaid, to the registered owners of the Bonds to be redeemed at their last addresses appearing on the registration books maintained by the Registrar not less than 30 days prior to the redemption date. Failure to deliver or mail any such notice with respect to a particular Bond or any defect in such notice, or in the delivery or mailing thereof, shall not affect the validity of the redemption proceedings. From and after the date fixed for redemption, if funds sufficient for the payment of the redemption price and accrued interest are available on such date and any other conditions to such redemption have been satisfied, the Bonds designated for redemption shall cease to bear interest.

Book-Entry System

The Bonds will be issued in fully registered book-entry form and DTC will act as securities depository for the Bonds. One Bond representing each maturity of the Bonds will be issued to and registered in the name of Cede & Co., as nominee of DTC, as registered owner of the Bonds and each such Bond shall be immobilized in the custody of DTC or with the Registrar to be held under DTC's "FAST" system, provided that if DTC requests, certificated Bonds will be issued in denominations of \$5,000 or any integral multiple thereof. Individual purchases will be made in book-entry form only, in the principal amount of \$5,000 or any integral multiple thereof. Purchasers will not receive physical delivery of certificates representing their interest in the Bonds purchased. The successful bidder, as a condition to delivery of the Bonds, will be required to deposit the Bond certificates representing each maturity with DTC.

Interest on the Bonds will be payable when due and the principal and redemption price of the Bonds will be payable at maturity or upon earlier redemption to DTC or its nominee as registered owner of the Bonds. Transfer of principal and interest payments to beneficial owners of the Bonds by participants of DTC ("Participants") will be the responsibility of Participants and other nominees of beneficial owners. The County will not be responsible or liable for such transfers of payments or for maintaining, supervising or reviewing the records maintained by DTC Participants or persons acting through Participants.

In the event that DTC determines not to continue to act as securities depository for the Bonds or the County determines to discontinue the book-entry system with DTC, and the County does not replace DTC with another securities depository, the County will execute and the Registrar will authenticate and deliver replacement Bonds in certificated form registered in the names of the Participants or, if requested in writing by such Participants, in the names of the beneficial owners of the Bonds. Replacement Bonds issued to Participants or to beneficial owners shall be in authorized denominations and be in fully registered form in substantially the form set forth in the Resolution.

Electronic Bids

Electronic bids via **PARITY®** will be received in the manner described below until 10:30 a.m. local time on November 18, 2025. For purposes of the electronic bidding process, the time as maintained on **PARITY®** constitutes the official time. Bidders may only submit bids electronically via **PARITY®**.

Bids may be submitted electronically via **PARITY®** pursuant to this Notice of Sale until 10:30 a.m. local time, but no bid will be received after the time for receiving bids specified herein. To the extent any instructions or directions set forth in **PARITY®** conflict with this Notice of Sale, the terms of this Notice of Sale shall control. For further information about **PARITY®**, potential bidders may contact **PARITY®** at Dalcomp (212) 849-5021.

Designation of Term Bonds

Bidders may designate in their bid two or more consecutive serial maturities beginning no earlier than October 1, 2036 and in any year thereafter as a term bond which matures on the maturity date of the last serial maturity of the sequence. The stated maturity date for any term bond so designated may not be earlier than October 1, 2037. More than one such sequence of serial maturities may be designated as a term bond. Any term bond so designated shall be subject to mandatory redemption in each year on the principal payment date and in the entire amount of each serial maturity designated for inclusion in such term bond.

Bid Parameters

No bid for less than all of the Bonds will be considered by the Board. The right is reserved to waive any irregularity or informality in any bid and to reject any or all bids. The Board's judgment shall be final and binding upon all bidders with respect to the form and adequacy of any bid received and as to its conformity to the terms of this Notice of Sale.

Each bidder shall submit one bid on an all-or-none basis for the Bonds. Each bid must specify the amount bid for the Bonds, which shall be not less than 100% of par or more than 115% of par. Each bid must specify in multiples of one-eighth (1/8) or one-twentieth (1/20) of one percent (1%) the rate or rates of interest per annum which the Bonds are to bear but shall not specify (a) more than one interest rate for any Bonds having the same maturity, (b) a zero rate of interest, (c) any interest rate for any Bonds which exceeds the interest rate stated in such bid for any other Bonds by more than 3.00%, or (d) any interest rate that exceeds 5.00%.

Electronic Bidding Procedures

Electronic bids must be submitted for the purchase of the Bonds (all or none) via **PARITY®**. Bids will be communicated electronically to the County at 10:30 a.m. local time, on Tuesday, November 18, 2025. Prior to that time, a prospective bidder may (1) submit the proposed terms of its bid via **PARITY®**, (2) modify the proposed terms of its bid, in which event the proposed terms as last modified will (unless the bid is withdrawn as described herein) constitute its bid for the Bonds or (3) withdraw its proposed bid. Once the bids are communicated electronically via **PARITY®** to the County, each bid will constitute an irrevocable offer to purchase the Bonds on the terms therein provided. For purposes of the electronic bidding process, the time as maintained on **PARITY®** shall constitute the official time.

Disclaimer

Each prospective bidder shall be solely responsible to submit its bid via **PARITY®** as described above. Each prospective bidder shall be solely responsible to make necessary arrangements to access **PARITY®** for the purpose of submitting its bid in a timely manner and in compliance with the requirements of this Notice of Sale. Neither the County nor **PARITY®** shall have any duty or obligation to provide or assure access to **PARITY®** to any prospective bidder, and neither the County nor **PARITY®** shall be responsible for proper operation of, or have any liability for any delays or interruptions of, or any damages caused by **PARITY®**. The County is using **PARITY®** as a communication mechanism, and not as the County's agent, to conduct the electronic bidding for the Bonds. The County is not bound by any advice and determination of **PARITY®** to the effect that any particular bid complies with the terms of this Notice of Sale and in particular the "Bid Parameters" set forth herein. All costs and expenses incurred by prospective bidders in connection with their submission of bids via **PARITY®** are the sole responsibility of the bidders and the County is not responsible, directly or indirectly, for any of such costs or expenses. If a prospective bidder encounters any difficulty in submitting, modifying or withdrawing a bid for the Bonds, such bidder should telephone **PARITY®** at Dalcomp (212) 849-5021 and notify the County's Financial Advisor, Davenport & Company LLC by facsimile at (866) 932-6660.

Basis of Award

Bids will be opened promptly after 10:30 a.m. local time (as determined in accordance with the time maintained on **PARITY®**), on Tuesday, November 18, 2025. The award, if made, will be made promptly after the bids are opened to the bidder offering the lowest true interest cost to the County in any legally acceptable bid. The lowest true interest cost shall be determined in accordance with the true interest cost ("TIC") method by doubling the semiannual interest rate (compounded semiannually) necessary to discount the debt service payments from the payment dates to the date of the Bonds, and to the price bid. The TIC shall be as determined by the financial advisor to the County based on the terms of this Notice of Sale and all amendments thereto and on each bid as submitted.

If two or more bidders offer to purchase the Bonds at the same lowest true interest cost, then such award will be made to the bidder offering the highest premium. If two or more bidders offer to purchase the Bonds at the same lowest true interest cost, with the same premium, the Bonds will be awarded by lot to one of such bidders.

Good Faith Deposit

A good faith deposit (the “Deposit”) is required in connection with the sale and bid for the Bonds. The Deposit will be provided in the form of a federal funds wire transfer in the amount of \$692,400 to be submitted to the County by the successful bidder not later than 3:00 p.m. local time (the “Deposit Deadline”) on the date of sale, as described in more detail below. The Deposit of the successful bidder will be retained by the County to be applied in partial payment for the Bonds and no interest will be allowed or paid upon the amount thereof, but in the event the successful bidder shall fail to comply with the terms of the respective bid, the proceeds thereof will be retained as and for full liquidated damages.

The County shall distribute wiring instructions for the Deposit to the successful bidder upon verification of the bids submitted by the bidders and prior to the Deposit Deadline. If the Deposit is not received by the Deposit Deadline, the award of the sale of the Bonds to the successful bidder may be cancelled by the County in its discretion without any financial liability of the County to the successful bidder or any limitation whatsoever on the County’s right to sell the Bonds to a different bidder upon such terms and conditions as the County shall deem appropriate.

Establishment of Issue Price

The successful bidder shall assist the County in establishing the issue price of the Bonds and shall execute and deliver to the County at closing an “issue price” or similar certificate setting forth the reasonably expected initial offering price to the public or the sales price or prices of the Bonds, together with the supporting pricing wires or equivalent communications, substantially in the form attached hereto as Exhibit A-1 or Exhibit A-2, as applicable, with such modifications as may be appropriate or necessary, in the reasonable judgment of the successful bidder, the County and Bond Counsel. All actions to be taken by the County under this Notice of Sale to establish the issue price of the Bonds may be taken on behalf of the County by the County’s financial advisor identified herein and any notice or report to be provided to the County may be provided to the County’s financial advisor.

The County intends that the provisions of Treasury Regulation Section 1.148-1(f)(3)(i) (defining “competitive sale” for purposes of establishing the issue price of the Bonds) will apply to the initial sale of the Bonds (the “competitive sale requirements”) because:

- (1) the County shall disseminate this Notice of Sale to potential underwriters in a manner that is reasonably designed to reach potential underwriters;
- (2) all bidders shall have an equal opportunity to bid;
- (3) the County may receive bids from at least three underwriters of municipal bonds who have established industry reputations for underwriting new issuances of municipal bonds; and
- (4) the County anticipates awarding the sale of the Bonds to the bidder who submits a firm offer to purchase the Bonds at the highest price (or lowest interest cost), as set forth in this Notice of Sale.

By submitting a bid, each bidder (i) confirms that its bid is a firm offer for the purchase of the Bonds identified in this Notice of Sale, on the terms set forth in its bid and this Notice of Sale, except as permitted by this Notice of Sale and (ii) represents that it has an established industry reputation for underwriting new issuances of municipal bonds.

In the event that the competitive sale requirements are not satisfied, the County shall so advise the successful bidder. The County may determine to treat (i) the first price at which 10% of a maturity of the Bonds (the “10% test”) is sold to the public as the issue price of that maturity and/or (ii) the initial offering price to the public as of the sale date of any maturity of the Bonds as the issue price of that maturity (the “hold-the-offering-price rule”), in each case applied on a maturity-by-maturity basis (and if different interest rates apply within a maturity, to each separate CUSIP number within that maturity). The successful bidder shall advise the County if any maturity of the Bonds satisfies the 10% test as of the date and time of the award of the Bonds. The County shall promptly advise the successful bidder, at or before the time of award of the Bonds, which maturities (and if different interest rates apply within a maturity, which separate CUSIP number within that maturity) of the Bonds shall be subject to the 10% test or shall be subject to the hold-the-offering-price rule. Bids will not be subject to cancellation in the event that the County determines to apply the hold-the-offering-price rule to any maturity of the Bonds.

Bidders should prepare their bids on the assumption that some or all of the maturities of the Bonds will be subject to the hold-the-offering-price rule in order to establish the issue price of the Bonds.

By submitting a bid, the successful bidder shall (i) confirm that the underwriters have offered or will offer the Bonds to the public on or before the date of award at the offering price or prices (the “initial offering price”), or at the corresponding yield or yields, set forth in the bid submitted by the successful bidder and (ii) agree, on behalf of the underwriters participating in the purchase of the Bonds, that the underwriters will neither offer nor sell unsold Bonds of any maturity to which the hold-the-offering-price rule shall apply to any person at a price that is higher than the initial offering price to the public during the period starting on the sale date and ending on the earlier of the following:

- (1) the close of the fifth (5th) business day after the sale date; or
- (2) the date on which the underwriters have sold at least 10% of that maturity of the Bonds to the public at a price that is no higher than the initial offering price to the public.

The successful bidder shall promptly advise the County when the underwriters have sold 10% of that maturity of the Bonds to the public at a price that is no higher than the initial offering price to the public, if that occurs prior to the close of the fifth (5th) business day after the sale date.

If the competitive sale requirements are not satisfied, then until the 10% test has been satisfied as to each maturity of the Bonds, the successful bidder agrees to promptly report to the County the prices at which the unsold Bonds of that maturity have been sold to the public. That reporting obligation shall continue, whether or not the closing has occurred, until the 10% test has been satisfied as to the Bonds of that maturity or until all Bonds of that maturity have been sold.

The County acknowledges that, in making the representation set forth above, the successful bidder will rely on (i) the agreement of each underwriter to comply with the hold-the-offering-price rule, as set forth in an agreement among underwriters and the related pricing wires, (ii) in the event a selling group has been created in connection with the initial sale of the Bonds to the public, the agreement of each dealer who is a member of the selling group to comply with the hold-the-offering-price rule, as set forth in a selling group agreement and the related pricing wires, and (iii) in the event that an underwriter is a party to a retail distribution agreement that was employed in connection with the initial sale of the Bonds to the public, the agreement of each broker-dealer that is a party to such agreement to comply with the hold-the-offering-price rule, as set forth in the retail distribution agreement and the related pricing wires. The County further acknowledges that each underwriter shall be solely liable for its failure to comply with its agreement regarding the hold-the-offering-price rule and that no underwriter shall be liable for the failure of any other underwriter, or of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a retail distribution agreement to comply with its corresponding agreement regarding the hold-the-offering-price rule as applicable to the Bonds.

By submitting a bid, each bidder confirms that: (i) any agreement among underwriters, any selling group agreement and each retail distribution agreement (to which the bidder is a party) relating to the initial sale of the Bonds to the public, together with the related pricing wires, contains or will contain language obligating each underwriter, each dealer who is a member of the selling group, and each broker-dealer that is a party to such retail distribution agreement, as applicable, to (A) report the prices at which it sells to the public the unsold Bonds of each maturity allotted to it until it is notified by the successful bidder that either the 10% test has been satisfied as to the Bonds of that maturity or all Bonds of that maturity have been sold to the public and (B) comply with the hold-the-offering-price rule, if applicable, in each case if and for so long as directed by the successful bidder and as set forth in the related pricing wires, and (ii) any agreement among underwriters relating to the initial sale of the Bonds to the public, together with the related pricing wires, contains or will contain language obligating each underwriter that is a party to a retail distribution agreement to be employed in connection with the initial sale of the Bonds to the public to require each broker-dealer that is a party to such retail distribution agreement to (A) report the prices at which it sells to the public the unsold Bonds of each maturity allotted to it until it is notified by the successful bidder or such underwriter that either the 10% test has been satisfied as to the Bonds of that maturity or all Bonds of that maturity have been sold to the public and (B) comply with the hold-the-offering-price rule, if applicable, in each case if and for so long as directed by the successful bidder or such underwriter and as set forth in the related pricing wires. Sales of any Bonds to any person that is a related party to an underwriter shall not constitute sales to the public for purposes of this Notice of Sale. Further, for purposes of this Notice of Sale:

(i) “public” means any person other than an underwriter or a related party,

(ii) “underwriter” means (A) any person that agrees pursuant to a written contract with the County (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Bonds to the public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the public),

(iii) a purchaser of any of the Bonds is a “related party” to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (i) at least 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other), and

(iv) “sale date” means the date that the Bonds are awarded by the County to the successful bidder.

Postponement of Sale; Change in Bid Parameters

The County reserves the right to postpone, from time to time, the date established for the receipt of bids or to change the bid parameters for the Bonds. Any such postponement or change will be announced by Parity/www.i-dealprospectus.com or TM3 News Service by notice given not later than 9:30 a.m. local time, on the announced date for receipt of bids. If any date fixed for the receipt of bids and the sale of the Bonds is postponed, any alternative sale date will be announced via Parity/www.i-dealprospectus.com or TM3 News Service at least 48 hours prior to such alternative sale date. In addition, the County reserves the right, on the date established for the receipt of bids, to reject all bids and establish a subsequent alternative sale date. On any such alternative sale date, any bidder may submit an electronic bid via **PARITY®** for the purchase of the Bonds in conformity in all respects with the provisions of this Notice of Sale, except for the date of sale and except for any changes announced by Parity/www.i-dealprospectus.com or TM3 News Service at the time the sale date and time are announced.

Approving Legal Opinion; Closing Papers

The Bonds will be issued and sold subject to approval as to legality by McGuireWoods LLP, of Baltimore, Maryland, Bond Counsel, and copies of their approving legal opinion will be delivered, upon request, without charge to the successful bidder for the Bonds. There will also be furnished upon delivery of the Bonds the usual closing papers and, in addition, a certificate signed by appropriate officers of the County certifying that there is no litigation pending or, to the knowledge of the signers of such certificate, threatened affecting the validity of the Bonds and that on the date of the Official Statement mentioned below and at the time of delivery of the Bonds, the Official Statement does not contain any untrue statement of a material fact and does not omit to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading in any material respect.

Preliminary Official Statement; Continuing Disclosure

Within seven (7) business days after the award of the Bonds, the County will authorize an Official Statement, which is now expected to be substantially in the form of the Preliminary Official Statement referred to below. The Preliminary Official Statement has been deemed final by the County as of its date for the purposes of Rule 15c2-12 of the Securities and Exchange Commission (“Rule 15c2-12”), subject to revision, amendment and completion in the final Official Statement. The County will also issue any supplement or amendment to the Official Statement that may be necessary between the date of the Official Statement and the date of delivery of the Bonds. If requested and furnished to the County in writing by the successful bidder at or before the close of business on the day of sale, the County will include in the Official Statement such pricing and other information relating to the reoffering of the Bonds, if any, as may be so furnished. If no such information is furnished by the successful bidder, the Official Statement will include the interest rates on the Bonds resulting from the bid of the successful bidder and the other statements with respect to reoffering contained in the Preliminary Official Statement. Whether or not any such information is included in the Official Statement, the successful bidder shall be responsible to the County and its officials in all respects for the accuracy, fairness and completeness of such information, and for all decisions made with respect to the use or omission of such information in any reoffering of the Bonds, including the presentation or exclusion of any such information in any documents, including the Official Statement. Within seven (7) business days after the award of the Bonds, the successful bidder will also be furnished, without cost, with an electronic copy and a reasonable number of hard copies (not to exceed 50) of the Official Statement (and any amendment or supplement thereto).

The County has made certain covenants for the benefit of the holders from time to time of the Bonds to provide certain continuing disclosure, in order to assist bidders for the Bonds in complying with Rule 15c2-12. Such covenants are described in the Preliminary Official Statement for the Bonds.

Delivery

The Bonds will be delivered on December 3, 2025 or as soon as practicable thereafter, upon due notice and at the expense of the County, for the account of the successful bidder, through the facilities of DTC in New York, New York, upon payment of the amount of the successful bid (including any premium), less the Deposit theretofore made. Such payment shall be made in Federal funds.

Miscellaneous

CUSIP numbers for the Bonds will be applied for by the Financial Advisor, but the County will assume no obligation for the assignment or printing of such numbers on the Bonds or for the correctness of such numbers, and neither the failure to print such numbers on any of the Bonds nor any error with respect thereto shall constitute cause for a failure or refusal by the successful bidder to accept delivery of and make payment for the Bonds.

The Preliminary Official Statement, together with this official Notice of Sale, will be supplied to prospective bidders upon request made in writing to the financial advisor for the issuance of the Bonds, Davenport & Company LLC, 8600 LaSalle Road, The Oxford Building, Suite 618, Towson, Maryland 21286, or by telephone 410-296-9426.

COUNTY COMMISSIONERS
OF CHARLES COUNTY

By: Reuben B. Collins, II, Esq., President

\$ _____
County Commissioners of Charles County
Consolidated Public Improvement Bonds of 2025

ISSUE PRICE CERTIFICATE
(Qualified Competitive Bid)

The undersigned, on behalf of [NAME OF PURCHASER] (the “Purchaser”), hereby certifies as set forth below with respect to the sale of the above-captioned obligations (the “Bonds”).

1. ***Reasonably Expected Initial Offering Price.***

(a) As of the Sale Date, the reasonably expected initial offering prices of the Bonds to the Public by the Purchaser are the prices listed in Schedule A (the “Expected Offering Prices”). The Expected Offering Prices are the prices for the Bonds used by the Purchaser in formulating its bid to purchase the Bonds. Attached as Schedule B is a true and correct copy of the bid provided by the Purchaser to purchase the Bonds.

(b) The Purchaser was not given the opportunity to review other bids prior to submitting its bid.

(c) The bid submitted by the Purchaser constituted a firm offer to purchase the Bonds.

2. ***Defined Terms.***

(a) *Issuer* means County Commissioners of Charles County.

(b) *Maturity* means Bonds with the same credit and payment terms. Bonds with different maturity dates, or Bonds with the same maturity date but different stated interest rates, are treated as separate maturities.

(c) *Public* means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter. The term “related party” for purposes of this Certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.

(d) *Sale Date* means the first day on which there is a binding contract in writing for the sale of a Maturity of the Bonds. The Sale Date of the Bonds is November 18, 2025.

(e) *Underwriter* means (i) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the Public).

The undersigned understands that the foregoing information will be relied upon by the Issuer with respect to certain of the representations set forth in the Non-Arbitrage Certificate and Tax Covenants and with respect to compliance with the Federal income tax rules affecting the Bonds, and by McGuireWoods LLP, as bond counsel to the Issuer, in connection with rendering its opinion that the interest on the Bonds is excludable from gross income for Federal income tax purposes, the preparation of the Internal Revenue Service Form 8038-G, and other Federal income tax advice that it may give to the Issuer from time to time relating to the Bonds.

[NAME OF PURCHASER], as Purchaser

By: _____

Name: _____

Title: _____

Dated: _____, 2025

SCHEDULE A
Expected Offering Prices of the Bonds

SCHEDULE B
Copy of Bid

§ _____
**County Commissioners of Charles County
Consolidated Public Improvement Bonds of 2025**

ISSUE PRICE CERTIFICATE
(Nonqualified Competitive Bid)

The undersigned, on behalf of [NAME OF PURCHASER] (the “Purchaser”), hereby certifies as set forth below with respect to the sale and issuance of the above-captioned obligations (the “Bonds”).

1. ***Sale of the 10% Maturities.*** As of the date of this Certificate, for each Maturity of the 10% Maturities Bonds, the first price at which a Substantial Amount of such Maturity of the Bonds was sold to the Public is the respective price listed in Schedule A.

2. ***Initial Offering Price of the Undersold Maturities.***

(a) Each Underwriter offered the Undersold Maturities to the Public for purchase at the respective initial offering prices listed in Schedule B (the “Initial Offering Prices”) on or before the Sale Date. A copy of the pricing wire or equivalent communication for the Bonds is attached to this Certificate as Schedule C.

(b) As set forth in the Notice of Sale and bid award, each Underwriter has agreed in writing that, (i) for each Maturity of the Undersold Maturities, it would neither offer nor sell any of the Bonds of such Maturity to any person at a price that is higher than the Initial Offering Price for such Maturity during the Offering Period for such Maturity, nor would it permit a related party to do so (the “hold-the-price rule”) and (ii) any selling group agreement shall contain the agreement of each dealer who is a member of the selling group, and any retail distribution agreement shall contain the agreement of each broker-dealer who is a party to the retail distribution agreement, to comply with the hold-the-price rule. Pursuant to such agreement, no Underwriter has offered nor sold any Maturity of the Undersold Maturities at a price that is higher than the respective Initial Offering Price for that Maturity of the Bonds during the Offering Period.

3. ***Defined Terms.***

(a) *10% Maturities* means those Maturities of the Bonds shown in Schedule A hereto as the “10% Maturities.”

(b) *Issuer* means County Commissioners of Charles County.

(c) *Maturity* means Bonds with the same credit and payment terms. Bonds with different maturity dates, or Bonds with the same maturity date but different stated interest rates, are treated as separate maturities.

(d) *Offering Period* means, with respect to an Undersold Maturity, the period starting on the Sale Date and ending on the earlier of (i) the close of the fifth business day after the Sale Date (November 25, 2025), or (ii) the date on which the Purchaser has sold a Substantial Amount of such Undersold Maturity to the Public at a price that is no higher than the Initial Offering Price for such Undersold Maturity.

(e) *Public* means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter. The term “related party” for purposes of this Certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.

(f) *Sale Date* means the first day on which there is a binding contract in writing for the sale of a Maturity of the Bonds. The Sale Date of the Bonds is November 18, 2025.

(g) *Substantial Amount* means ten percent (10%).

(h) *Undersold Maturities* means those Maturities of the Bonds shown in Schedule B hereto as the “Undersold Maturities.”

(i) *Underwriter* means (i) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the Public).

The undersigned understands that the foregoing information will be relied upon by the Issuer with respect to certain of the representations set forth in the Non-Arbitrage Certificate and Tax Covenants and with respect to compliance with the Federal income tax rules affecting the Bonds, and by McGuireWoods LLP, as bond counsel to the Issuer, in connection with rendering its opinion that the interest on the Bonds is excludable from gross income for Federal income tax purposes, the preparation of Internal Revenue Service Form 8038-G, and other Federal income tax advice it may give to the Issuer from time to time relating to the Bonds.

[NAME OF PURCHASER], as Purchaser

By: _____

Name: _____

Title: _____

Dated: _____, 2025

SCHEDULE A
Sale Prices of the 10% Maturities

SCHEDULE B
Initial Offering Prices of the Undersold Maturities

SCHEDULE C
Pricing Wire

FORM OF CONTINUING DISCLOSURE AGREEMENT

CONTINUING DISCLOSURE AGREEMENT

This Continuing Disclosure Agreement dated as of December 3, 2025 (the “Disclosure Agreement”) is executed and delivered by COUNTY COMMISSIONERS OF CHARLES COUNTY (the “County”) in connection with the issuance of the \$68,825,000 County Commissioners of Charles County Consolidated Public Improvement Bonds of 2025 (the “Bonds”). The County, intending to be legally bound hereby and for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, does hereby covenant and agree as follows:

SECTION 1. Purpose of the Disclosure Agreement. This Disclosure Agreement is being executed and delivered by the County for the benefit of the owners of the Bonds, including beneficial owners, and in order to assist the Participating Underwriters in complying with Securities and Exchange Commission Rule 15c2-12(b)(5). The County’s obligations hereunder shall be limited to those required by written undertaking pursuant to the Rule.

SECTION 2. Definitions. In addition to the definitions set forth above, which apply to any capitalized term used in this Disclosure Agreement, the following capitalized terms shall have the following meanings:

“EMMA” means the Electronic Municipal Market Access system of the MSRB as provided at <http://www.emma.msrb.org>, or any similar system that is acceptable to or as may be specified by the Securities and Exchange Commission from time to time.

“Financial Obligation” shall mean a (a) debt obligation; (b) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (c) guarantee of (a) or (b). The term “Financial Obligation” shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule. If the definition of “financial obligation” in the Rule is amended, the same amendment shall be deemed to be made to the definition of Financial Obligation in this Disclosure Agreement, without further action by the County.

“Generally Accepted Accounting Principles” means accounting principles generally accepted in the United States of America as used in the preparation of the financial statements of state and local governmental entities.

“MSRB” shall mean the Municipal Securities Rulemaking Board, or any successor organization.

“Participating Underwriter” shall mean any of the original underwriters of the Bonds required to comply with the Rule in connection with offering of the Bonds.

“Reportable Event” shall mean any of the events listed in Section 4(a) of this Disclosure Agreement.

“Rule” shall mean Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time, any successor provisions of similar import promulgated by the Securities and Exchange Commission in the future, and any applicable no-action letters and other authoritative interpretations of Rule 15c2-12 released by the Securities and Exchange Commission.

SECTION 3. Provision of Annual Financial Information, Operating Data and Audited Information.

(a) The County shall provide to the MSRB in an electronic format as prescribed by the MSRB, directly or through an intermediary, the following annual financial information and operating data, such information and data to be updated as of the end of the preceding fiscal year and made available within 275 days after the end of the fiscal year, commencing with the fiscal year ending June 30, 2026:

- (1) General Fund Statement of Actual Operating Revenues and Expenditures;
- (2) Water and Sewer Enterprise Fund Statement of Actual Revenues and Expenses;
- (3) Assessed and Estimated Market Value of All Property Classes; and
- (4) Tax Levies and Collections (General County Only, Including Education).

(b) The County shall provide to the MSRB in an electronic format as prescribed by the MSRB, directly or through an intermediary, annual audited financial statements for the County, such information to be made available within 275 days after the end of the County's fiscal year, commencing with the fiscal year ending June 30, 2026, unless the audited financial statements are not available on or before such date, in which event said financial statements will be provided promptly when and if available. In the event that audited financial statements are not available within 275 days after the end of the County's fiscal year (commencing with the fiscal year ending June 30, 2026), the County will provide unaudited financial statements within such time period in the same manner as required for audited financial statements.

(c) (1) Except as otherwise set forth in this paragraph (c), the presentation of the financial information referred to in paragraph (a) and in paragraph (b) shall be made in accordance with the Generally Accepted Accounting Principles utilized in connection with the presentation of applicable comparable financial information included in the final official statement for the Bonds.

(2) The County may make changes to the presentation of the financial information required in paragraph (a) and in paragraph (b) necessitated by changes in Generally Accepted Accounting Principles.

(3) The County may otherwise modify the presentation of the financial information required herein, provided that this Disclosure Agreement is amended in accordance with Section 6 hereof.

(d) If the County is unable to provide the annual financial information and operating data within the applicable time periods specified in paragraphs (a) and (b) above, the County shall send in a timely manner a notice of such failure to the MSRB in an electronic format as prescribed by the MSRB.

SECTION 4. Reporting of Significant Events.

(a) This Section 4 shall govern the giving of notices of the occurrence of any of the following Reportable Events with respect to the Bonds:

- (1) Principal and interest payment delinquencies;
- (2) Non-payment related defaults, if material;
- (3) Unscheduled draws on debt service reserves reflecting financial difficulties;
- (4) Unscheduled draws on credit enhancements reflecting financial difficulties;
- (5) Substitution of credit or liquidity providers, or their failure to perform;
- (6) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701 – TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax-exempt status of the Bonds;
- (7) Modifications to rights of owners of the Bonds, if material;
- (8) Bond calls, if material, and tender offers;
- (9) Defeasances;
- (10) Release, substitution, or sale of property securing repayment of the Bonds, if material;
- (11) Rating changes;
- (12) Bankruptcy, insolvency, receivership or similar event of the obligated person;
- (13) The consummation of a merger, consolidation, or acquisition involving an obligated person or the sale of all or substantially all of the assets of the obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
- (14) Appointment of a successor or additional trustee, or the change of name of a trustee, if material;
- (15) incurrence of a Financial Obligation of the obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the obligated person, any of which affect security holders, if material; and
- (16) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the obligated person, any of which reflect financial difficulties.

(b) Whenever the County obtains knowledge of the occurrence of a Reportable Event, the County shall file in a timely manner, not in excess of ten (10) business days after the occurrence of such event, directly or through an intermediary, a notice of such occurrence with the MSRB in an electronic format as prescribed by the MSRB.

(c) For the purposes of the event identified in subparagraph (12) above, the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the County in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the County, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan or reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the County.

SECTION 5. Termination of Reporting Obligations; EMMA.

(a) The County's obligations under this Disclosure Agreement shall terminate upon the payment in full of all of the Bonds either at their maturity or upon early redemption. In addition, the County may terminate its obligations under this Disclosure Agreement if and when the County no longer remains an obligated person with respect to the Bonds within the meaning of the Rule.

(b) All documents provided to the MSRB pursuant to this Disclosure Agreement shall be submitted to EMMA and shall be accompanied by identifying information as prescribed by the MSRB.

SECTION 6. Amendments.

(a) The County may provide further or additional assurances that will become part of the County's obligations under this Disclosure Agreement. In addition, this Disclosure Agreement may be amended by the County in its discretion, provided that:

(1) (A) the amendment is being made in connection with a change of circumstances that arises from a change in legal requirements, change in law, change in the identity, nature or status of the County as the obligated person with respect to the Bonds, or type of business conducted by the County, (B) this Disclosure Agreement, as amended, would, in the opinion of nationally recognized bond counsel, have complied with the requirements of the Rule at the time of the issuance of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and (C) the amendment does not materially impair the interests of owners of the Bonds, including beneficial owners, as determined by such bond counsel or by an approving vote of the holders of at least 25% of the outstanding principal amount of the Bonds; or

(2) the County receives an opinion of nationally recognized bond counsel to the effect that such amendment is permitted or required by the Rule.

(b) The reasons for the County agreeing to provide any further or additional assurances or for any amendment and the impact of the change in the type of financial information or operating data being provided will be explained in information provided with the annual financial information containing the additional or amended financial information or operating data.

SECTION 7. Additional Information. Nothing in this Disclosure Agreement shall be deemed to prevent the County from disseminating any other information, using the means of dissemination set forth in this Disclosure Agreement or any other means of communication, or including disclaimers or any other information in any disclosure made pursuant to Section 3(a) or 3(b) hereof or notice of occurrence of a Reportable Event, in addition to that which is required by this Disclosure Agreement. If the County chooses

to include any information in any disclosure made pursuant to Section 3(a) or 3(b) hereof or notice of occurrence of a Reportable Event in addition to that which is specifically required by this Disclosure Agreement, the County shall have no obligation under this Disclosure Agreement to update such information or include it in any future disclosure made pursuant to Section 3(a) or 3(b) hereof or notice of occurrence of a Reportable Event.

SECTION 8. Limitation on Remedies and Forum.

(a) The County shall be given written notice at the address set forth below of any claimed failure by the County to perform its obligations under this Disclosure Agreement, and the County shall be given 45 days to remedy any such claimed failure. Any suit or other proceeding seeking further redress with regard to any such claimed failure by the County shall be limited to specific performance as the adequate and exclusive remedy available in connection with such action. Written notice to the County shall be given to the Director of Fiscal and Administrative Services, Government Building, La Plata, Maryland 20646, or at such alternate address as shall be specified by the County in disclosures made pursuant to Section 3(a) or 3(b) hereof or a notice of occurrence of a Reportable Event.

(b) Any suit or proceeding seeking redress with regard to any claimed failure by the County to perform its obligations under this Disclosure Agreement must be filed in the Circuit Court for Charles County, Maryland.

SECTION 9. Beneficiaries. This Disclosure Agreement shall inure solely to the benefit of the owners from time to time of the Bonds, including beneficial owners, and shall create no rights in any other person or entity.

SECTION 10. Relationship to Bonds. This Disclosure Agreement constitutes an undertaking by the County that is independent of the County's obligations with respect to the Bonds. Any breach or default by the County under this Disclosure Agreement shall not constitute or give rise to a breach or default under the Bonds.

SECTION 11. Severability. In case any section or provision of this Disclosure Agreement or any covenant, stipulation, obligation, agreement, or action, or any part thereof, made, assumed, entered into or taken under this Disclosure Agreement, or any application thereof, is for any reason held to be illegal or invalid or is at any time inoperable, such illegality, invalidity or inoperability shall not affect the remainder thereof or any other section or provision of this Disclosure Agreement, or any other covenant, stipulation, obligation, agreement, act or action, or part thereof, made, assumed, entered into or taken under this Disclosure Agreement, which shall at the time be construed and enforced as if such illegal or invalid or inoperable portion were not contained therein.

SECTION 12. Entire Agreement. This Disclosure Agreement contains the entire agreement of the County with respect to the subject matter hereof and supersedes all prior arrangements and understandings with respect thereto; provided, however, that this Disclosure Agreement shall be interpreted and construed with reference to and in pari materia with the Rule.

SECTION 13. Captions. The captions or headings herein shall be solely for convenience of reference and shall in no way define, limit or describe the scope or intent of any provisions or sections hereof.

SECTION 14. Governing Law. This Disclosure Agreement and any claim made with respect to the performance by the County of its obligations hereunder shall be governed by, subject to and construed in accordance with the federal securities laws, where applicable, and the laws of the State of Maryland, without reference to the choice of law principles thereof.

IN WITNESS WHEREOF, the County has caused this Disclosure Agreement to be duly executed as of the day and year first above written.

COUNTY COMMISSIONERS OF
CHARLES COUNTY

By: _____
President of the County
Commissioners of Charles County